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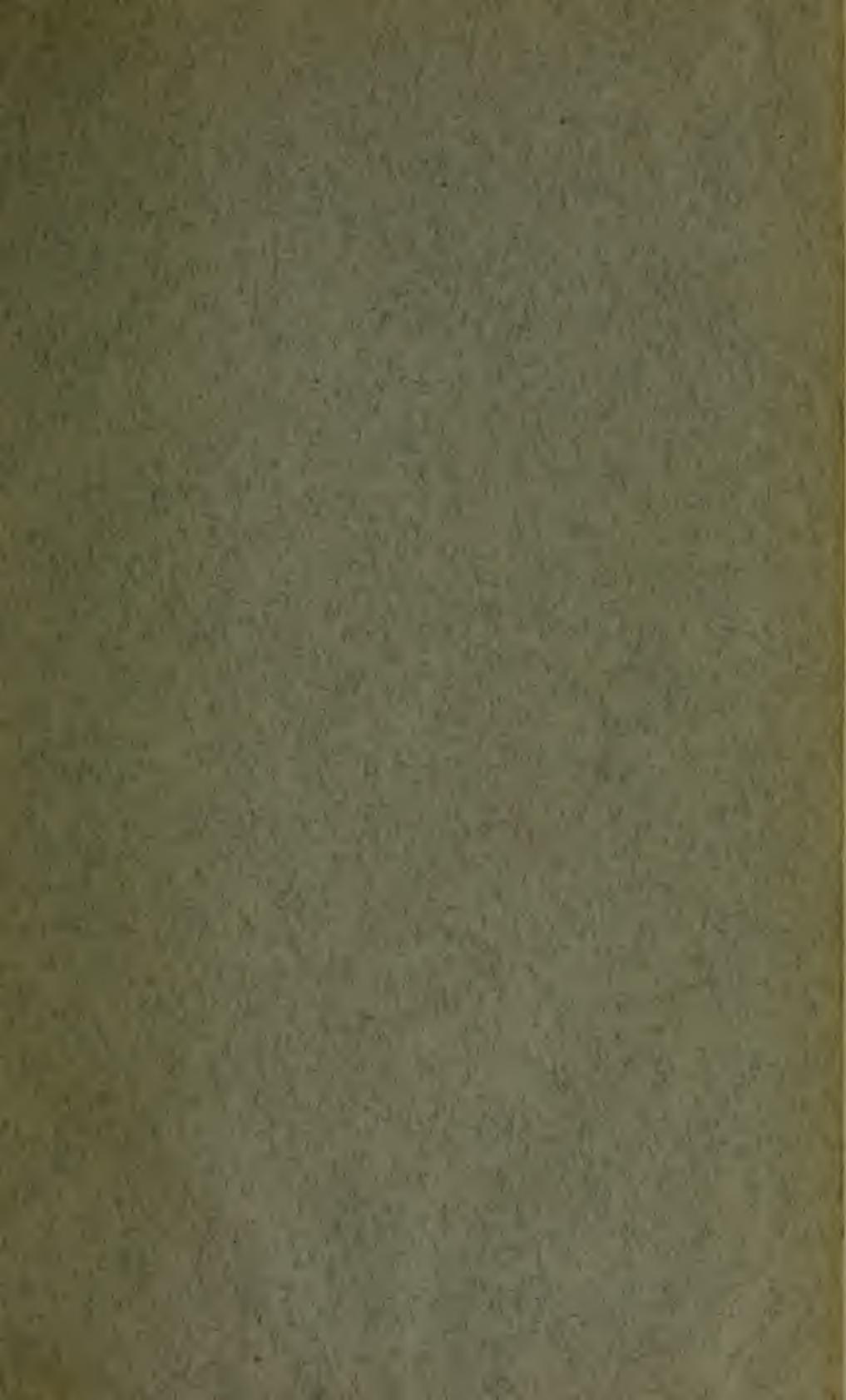


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CALIFORNIA  
PROGRESSIVE  
CAMPAIGN BOOK  
FOR 1914

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Three Years of Progressive Administration  
in California Under  
GOVERNOR HIRAM W. JOHNSON





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## PREFACE.

This volume is published as a campaign-book for the use of editors, speakers, and others supporting the progressive party of California in 1914. It contains an authentic but incomplete record of the principal work done by the progressive administration of California since Hiram W. Johnson became governor in the beginning of 1911. In those three years the state of California has peacefully undergone revolutionary changes and the story of California's thoroughgoing experiment with progressive and social ideas is the most vital one in the chronicles of the states. Of course this work, written by divers hands, and compiled and printed within a few weeks after it was conceived, is not a scientific treatise on the achievements of the administration. It is nothing more than a memorandum of what the progressive administration has accomplished. No attempt has been made to set forth the details of such legislation as the railroad commission law, the workmen's compensation law, the blue-sky law, or the redlight abatement bill, or the other important statutes to which reference is made. Of all these great and daring legislative enactments, none are of more intense importance to the nation than the purely social legislation. The great laws touching intimately the hours and wages of women and children, the law protecting the alien and aiding the immigrant, the brave attempt to test for a solution of the evil of prostitution; these are the works of the law-makers which the historian will write large across the page of the administration's record.

THE EDITOR.

Feb. 1, 1914.

“Never before in the history of California has there been a state administration which promised so much and which has kept so many of its promises.

“Never before in the history of the state has there been a time when the throat of California has been so free from corporate clutch.

“Never before in the history of California has there been a governor who has honestly, and earnestly, and faithfully, and conscientiously, and pugnaciously endeavored to do so much for the people.

“And never before in the annals of this golden state has there been a governor who has succeeded in accomplishing so much.

“No need here to recapitulate.

“The record is before the eyes of all men.

“Big business, the interests, the Southern Pacific, the grasping and greedy public-service corporations, the unclean and the vile in politics and in social and in commercial life—these no longer dominate in the halls of legislation.

“The money-changers—the legions of mammon and of Satan—these have been lashed out of the temple of the people.”—Sacramento “Bee,” April 5, 1913. Chas. K. McClatchy.

## A SUMMARY OF THE WORK OF THE PROGRESSIVE ADMINISTRATION.

With control of the government of California restored to the people by means of the initiative, referendum and recall; with the public utility corporations of the state subject to just and fair regulation; with many specific enactments having for their object the placing of the human being above the dollar; with the commissions carrying on great constructive projects with admirable results; with the many departments of the state government displaying energy and efficiency in the handling of their respective tasks; with the many state institutions modernized and in the hands of men of undoubted executive ability; with graft, waste and extravagance eliminated, and with a cash surplus greater than ever before safely laid away in the state treasury, the progressive forces of this state organized as the progressive party are prepared to go before the people with an account of their administration of the government of California. The progressive administration, it is true, was elected under the name republican because the progressive party had not then a legal existence, but it was elected by progressives in active opposition to the republican party machine; by those very citizens, indeed, who have since formed the progressive party, and the so-called republicans who controlled the republican machine supported the democratic candidate for the governorship in 1910 and the democratic candidate for the presidency in 1912. The progres-

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sive party, therefore, properly claims all the credit for the work of Governor Johnson's administration.

### THE RECORD SPEAKS.

The accomplishments of the progressive party under the leadership of Governor Hiram W. Johnson will be urged as conclusive proof that decent government pays, and the records of the state will be utilized to contrast the results of government by the Southern Pacific with government by the people themselves.

The changes instituted by the progressive administration have gone to the fundamental principles of the state government and have been probably more sweeping than any program of political reform ever carried out in any state of the union. These changes were in exact accord with certain definite ante-election statements made by Governor Johnson and endorsed by a large majority of the electorate. The progressive administration has carried out the mandate of the electorate and it remains for the people to determine whether the results are satisfactory.

### FORMER CONDITIONS.

During the twenty-five years in which the political bureau of the Southern Pacific Company dominated the affairs of California, the agents of that corporation encumbered the statute books with laws that favored big business and restricted the powers of the people to a minimum. Elections for the most part were sham battles between candidates all of whom were subservient to the railroad machine. The people were powerless, for the only method of getting at recalcitrant public officials was through impeach-

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ment by the legislature which was dominated and controlled by the machine.

### RESTORING POWER TO THE PEOPLE.

With these conditions existing, the first big task of the progressive administration was the enactment of legislation which would forever break the political grip of the big public-service corporations and would bring the government back to the people. The initiative, the referendum and the recall were drafted and Governor Johnson went before the people advocating their adoption as amendments to the constitution. These measures were approved by overwhelming majorities. Thus the people regained the power to enact or veto legislation directly without the interference of any public official, and also the power to remove summarily from office any public official including any judge found to be corrupt or incompetent.

### DIRECT-ACTION MEASURES.

Supplementing the three big direct-action measures, there were legislative enactments providing for the return to the pure Australian ballot, the elimination of the judiciary from partisan politics, the strengthening of the direct primary law, the submission of a constitutional amendment giving to women the right of suffrage and the election of United States senators by popular vote.

All of these enactments dealt with the very fundamental principles of government and were necessary before the people could so much as make a start toward managing their own affairs. They were all

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written into the law of the state before the first year of the progressive administration had expired. The vigorous fight made by the forces of reaction to prevent the enactment of these measures which meant control of the government by all of the people will not soon be forgotten.

In other states and in other administrations in this state the enactment of the initiative or referendum alone would have been considered an accomplishment with which an administration could very well ask for reelection.

### REORGANIZING THE STATE'S BUSINESS.

After a complete triumph, the people having adopted every measure that Governor Johnson advocated, the progressive administration faced the fact that the struggle had just begun. It was true that the legislative enactments and constitutional amendments gave the people the power necessary to control their government, but the difficulty of reorganizing the state's affairs upon a decent and business-like basis was sufficient to discourage the most hopeful and courageous members of the administration. The various departments and institutions of the state presented a discouraging spectacle.

### THE MESS TO BE CLEANED.

The railroad commission, as it had existed was stagnant. It had little or no power and exercised what it had only with the permission of the political bureau of the Southern Pacific Railroad Company. The public utilities of the state were subject to no real control. They were at liberty to water their

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capital and charge the general public extortionate rates to pay interest and dividends. The state labor commissioner was a well known railroad politician and county boss. The state board of harbor commissioners was practically a department of the railroad. The state printing office was in the hands of a man whose election expenses were paid by the contractors for paper and supplies. Three of the six state hospitals for the insane were havens of rest for political workers who knew nothing about the care of the insane but had rendered services to the machine. The two boys' reformatories were not reformatories at all but were preparatory schools for the penitentiaries. Folsom prison, where severe forms of corporal punishment were customary, had a hard name throughout the nation. The books and accounts of state departments and institutions had not been audited in twenty years during which something like \$200,000,000 of the money of the people of the state had been expended.

### MACHINE JOBHOLDERS BLOCKED REFORM.

To make improvement difficult, the old machine had its adherents on guard in every state institution and department. Appointees who owed their positions to the good-will of the old regime entertained no affection for the progressive administration. Naturally fearful lest their tenure be terminated or their perquisites be cut off they were ready to block any attempts to institute new methods. Desultory attempts had previously been made to eliminate politics, corruption, waste, and extravagance from the

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state institutions and departments. The effort was wasted for the reason that each of the twenty-three state institutions and forty-two departments constituted a law unto itself. The governor would have been able to do nothing but investigate during his entire four-year term unless the laws were so changed that the institutions and departments could be brought under one central control.

The first necessary step toward improving conditions was to remove from the state service every employee of whatever grade who rendered allegiance to the Southern Pacific machine instead of to the people. The next to place in the strategic positions men of ability and integrity and sympathetic with the new ideals of public and social service. The legislature then conferred upon the new appointees the power to discharge properly the duties of their respective offices, and at the same time centralized responsibility. When that was done, the men in office each in his own department, were required to demonstrate their fitness for the public service by rendering undivided allegiance to the people and by carrying out the duties of the office with the efficiency demanded by private employers.

### STATE BOARD OF CONTROL.

To bring about coordination and cooperation among the state departments and institutions and to establish order and uniformity in the financial system, the state board of control was created and was vested with practically plenary power in dealing with the state's business affairs. The board of control faced

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the problem of reorganizing a business of tremendous proportions that had been allowed to stumble along in a wasteful and corrupt way for more than twenty years.

The board of control sought the cooperation of the reputable business houses of California, which had for years refused to bid for state business. Such firms demanded guaranties in the way of elimination of old abuses and the adoption of new methods. How effectively these demands have been met within a period of two years and a half is fairly demonstrated by the fact that ninety-five per cent. of the reputable firms which had formerly declined to participate in the state's business are now regular bidders in competition for the state's custom. *Not less than seventy-five per cent. of these firms fought Hiram W. Johnson in his campaign for the governorship on the theory advanced by the Southern Pacific political bureau that his radicalism would "hurt business."*

### **CORRUPTION EXPOSED AND ELIMINATED.**

Within two years and a half the books and accounts of every state institution and department have been audited. Sixteen public officials ranging in grade from superintendents of state hospitals to men occupying minor positions have confessed to the board of control that they had been dishonest. They have restored to the state treasury the money improperly taken and have been eliminated from the public service. These incidental features of the work of the board of control have unfortunately engaged the attention of the public to the exclusion of the greatly more important constructive work that has

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been in progress. The aim of the board has been to raise the public service to the same plane of efficiency that obtains in private corporations.

### UNIFORM SYSTEM OF ACCOUNTING.

With the books and accounts of all the institutions and departments audited, the board of control has installed a uniform system of accounting and subjects the affairs of each institution and department to a rigid scrutiny at frequent intervals. The old law, so long dead, governing competition on state contracts has been resurrected and enforced to the letter. The pure food and drug laboratory of the university of California has been constituted the judge of all foods and drugs furnished the state. The state engineering testing department has been made the judge of all other products. Not a dollar of the state's money is expended until the expenditure is approved in advance. The head of every state institution and department is given practically autocratic power over the internal conduct of his institution and is held strictly responsible. *No member of the state board of control has ever recommended or endorsed any man, woman, or child for any position in any state institution or department.* Finally, every person doing business with the state has a right of appeal to the board of control should he feel aggrieved at any action upon the part of an institution or department.

### HOW PROGRESSIVISM HELPED BUSINESS.

The results of the transformation in the state's methods of doing business have been such as were

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to be expected. The new methods have resulted in saving to the state the sum of \$1,500,000 per annum on the cost of maintaining its institutions and departments. The state to-day buys the finest quality of foods, building materials and other supplies of every description at a lower cost than was formerly paid for inferior goods. There is one quality of food in every state institution to-day whereas formerly there were three, the inmates receiving the lowest grade. Reputable business houses throughout California look upon the state's business as the cleanest to be had. The state pays its bills promptly and gets discounts. The hospitals for the insane and reformatory institutions, divorced from politics, have become real agencies for the benefit of the inmates, instead of costly havens for political roustabouts. In short, the institutions and departments are carrying out the purposes for which they were created.

### APPROPRIATIONS BY BUDGET.

As an adjunct to the business system installed, the state board of control, at the direction of Governor Johnson, prepared for submission to the chief executive and the legislature *the first budget in the history of California or of any other state in the union.* This budget, drawn after a thorough study of the needs of the institutions and departments, was completed and printed two weeks before the convening of the 1913 session of the legislature. For the first time in the history of the state the governor and legislature were advised in advance concerning the financial needs of the state and had an opportunity to act intelligently. Under this system the head of every institution and

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department remained at his proper post throughout the session of the legislature instead of going to Sacramento to lobby for appropriations. Formerly, the recognized method of advising the legislature of the needs of the institutions and departments was to invite legislators to a convenient bar and there in a thirty-minute conversation endeavor to wheedle out enough money to run the people's business.

*The lead of California in adopting a state budget is already being followed in six other states, and President Wilson is a strong supporter of the plan to install this system in connection with the work of making appropriations for the federal government.*

At the conclusion of the legislature a balance sheet was prepared showing the people in detail the purpose for which every dollar was appropriated.

### REAL ECONOMY IN STATE BUSINESS.

The cost of the new system to the people of California is the difference between \$48,000 a year, which it costs to maintain the state board of control, and \$19,000 a year which the decrepit board of examiners formerly cost. At a cost of \$29,000 a year the sum of \$1,500,000 a year is saved directly, and the business of the state is conducted upon a respectable plane.

The state board of control not only has had to fight graft, waste and extravagance but also has had to deal with the traditional hatred of change in methods on the part of honest men in office. In the first six months of its existence the state board of control was termed "the wrecking crew." Governor Johnson was constantly advised that the board would "wreck" his administration. Pseudo friends of the governor, who

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had hoped to secure contracts, complained to the chief executive that they were forced to bid in competition with firms that had opposed the governor politically. In each instance he listened patiently to the complaints and concluded the interview by announcing that the particular kind of "wrecking" which was in progress was done not only with his knowledge but with his hearty approval. Two years have served to demonstrate fully the wisdom of Governor Johnson's course in demanding that modern business methods be introduced into the handling of the state's affairs.

### INSANITY HOSPITALS MODERNIZED.

During that time the progressive administration has modernized the buildings of the six state insanity hospitals at a cost of \$1,000,000. Additional buildings have been erected along modern lines at Folsom and San Quentin prisons and at the Preston and Whittier reformatories. The veterans' home and the two schools for the deaf and blind have been modernized with new structures. An additional hospital for the insane has been provided for at a cost of \$200,000, and a needed training school for girls at a cost of \$200,000. One new normal school has been completed and another commenced at a cost of \$275,000 and provision made for a third one which will give the state eight in all.

### AGRICULTURAL COLLEGE REJUVENATED.

At an outlay of more than \$1,000,000 the agricultural college of the university of California has been brought up to date and its work made directly serviceable to the people. It now ranks with the fore-

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most in the United States. The regular biennial appropriation for the university has been increased by \$400,000. Adequate provision has been made for such important new departments as the railroad commission, the industrial accident board, the enlarged labor bureau, the board of control, the minimum wage commission, the immigration commission, and the bureau of weights and measures. An adequate system of school teachers' pensions has been inaugurated and a substantial advance in the care of widowed mothers has been made. Established state highways, not included in the \$18,000,000 system, have been improved, lengthened and maintained. The state has given \$750,000 towards the improvement of her rivers. By a guaranty of \$500,000 the administration has assured the sale of \$9,000,000 of San Francisco harbor bonds and the completion of the tremendous project of new concrete wharves. The greatest growth in the history of the normal schools, hospitals and prisons has been met in accordance with the most advanced and humane ideas.

### **WHAT THE NEW ORDER HAS COST.**

This outline shows briefly the most important constructive acts of the progressive administration. The next consideration is the *cost of this tremendous program.*

*The records show that the average biennial increase in appropriations under administrations preceding Governor Johnson was 20.7 per cent. The increase under Governor Johnson, including both biennial periods, is 15.6 per cent. It is also a significant fact that not one dollar of the increase under Governor*

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*Johnson came from the general public, but it all fell upon the corporations exclusively.*

*The most significant fact of all, however, is that on the first of February, 1914, there was lying in the state treasury over and above all appropriations a cash surplus of approximately \$3,800,000—the largest surplus in the history of California.*

These facts summarized mean, that the progressive administration with the smallest increase in expenditures in the history of the state has met the largest increase in departments and institutions—has done it efficiently and humanely, and has rolled up a record surplus in cash in the state treasury.

*The affairs of California are in such shape to-day that Governor Johnson can have laid before him in forty-eight hours a complete financial statement of all the business of all the state institutions and departments, showing the amount expended to date from each and every appropriation; showing what was accomplished with each dollar expended, and showing every dollar collected by the state.*

This demonstrates rather conclusively that decent government *pays*.

### **NEW RAILROAD COMMISSION.**

But the greatest accomplishment of the progressive administration was the enactment of the public utilities act. This law with its subsequent amendments, enacted at a special session of the legislature, has been recognized throughout the United States as the best piece of regulatory legislation of the character ever enacted in this country. The signing of this law by Governor Johnson was hailed

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with joy throughout California. It meant to the big and small shipper and to the people the passing of the arrogant reign of the Southern Pacific, during which time the public had to pay the rate demanded and accept the service offered by the railroad.

The administration of this law was placed in the hands of the newly elected and enlarged railroad commission headed by John M. Eshleman, now the progressive candidate for lieutenant-governor. The enforcement of this one law alone has meant an annual saving—not a saving for one year but for each year to come—of not less than \$6,000,000 to the people of California. In less than three years the railroad commission has reduced the rates of railroad, express, telephone, water and other public utility corporations so that the aggregate reductions per annum represent \$6,000,000. The entire cost of maintaining the commission is \$250,000 a year.

It is a significant fact that in the first year of its existence the railroad commission heard and decided more cases than were filed with previous railroad commissions in *twenty-five years*.

### **PUBLIC UTILITY SERVICE IMPROVED.**

The saving in money to the people of the state, however, has not been the only concern of the commission. It has demanded from every public utility corporation proper service in return for the money paid by the people. The rulings of the commission have marked the passing of the era when the complaint of the small householder or of the commuter was ignored with complacency. *To-day any citizen of California can have any grievance against a public*

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*utility corporation that is subject to the commission's jurisdiction adjusted by the simple process of writing a letter to the state railroad commission. The entire cost to a citizen is a two-cent stamp.*

It might be imagined that the accomplishments of the railroad commission came about through the use of ruthless methods and the sacrificing of all the rights of the corporations. That this is not the fact is attested by the actions of the corporations themselves in accepting the reductions made as just and fair in the vast majority of cases. It is also a significant fact that since the commission took cognizance of the need for better service practically all of the corporations have established complaint departments where the grievances of consumers receive prompt attention. *The corporation managers do not want to be called to time by the commission. The reason for this is that the corporation manager does not want a record of inefficiency scored against him when his company applies to the commission for permission to sell additional securities.*

The story of the California railroad commission is one that should be known to every man, woman and child in California; and it has been fully set forth in another part of this volume. The commission's accomplishments benefit directly every inhabitant of the state, and demonstrate the fitness of the people to govern themselves. This commission, not yet three years old, stands out to-day as next in importance in the United States to the interstate commerce commission.

If the record of the progressive administration con-

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tained nothing further than the story of the railroad commission, the party would be able to face the people with a record of achievement not even approximated by any previous administration.

Had Governor Johnson stopped at this point he would have accomplished enough according to the old standards of public life and efficiency in government. But he was alive to those new ideas of social service which are quickening the nation; and the progressive administration prepared a remarkable schedule of social legislation the enactment of which has brought California ahead of the other states of the union and almost abreast with the most enlightened countries of Europe. The state of California has taken cognizance of those economic changes which occurred in industry in the last two decades, and has faced the facts with intelligence and courage. The next generation will have cause to thank Governor Johnson for the farsighted statesmanship that has disarmed social and economic revolution by anticipating it.

### STATE LABOR BUREAU.

Governor Johnson found in the office of state labor commissioner, a politician who was the Southern Pacific boss of Santa Clara county. He needed no evidence to convince him of the undesirability of such a man in such a position. The workers of the state had for years labored and pleaded for the establishment of a state department to look after their interests. An excellent law had been enacted during the old regime, after a bitter fight. The machine then frustrated the law by placing the enforcement of it in the hands of a man who was totally unsympathetic.

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Governor Johnson appointed as labor commissioner John P. McLaughlin, a man in whom all the laboring people of the state have the highest confidence.

### EIGHT-HOUR LAW FOR WOMEN.

In three years under McLaughlin's administration the labor bureau has risen to a position of the greatest importance. This department has honestly and fairly enforced the eight-hour law for women. It was predicted that ruin and bankruptcy would follow the enactment of the eight-hour law for women. The law has been not only of vast benefit to the worker, but it has resulted in increased efficiency for the employer with no loss of money.

### CHILD LABOR LAWS.

The labor bureau has also been charged with the enforcement of a series of child-labor laws, designed and enacted by the progressive administration for the protection of the young of the state. This progressive legislation, more advanced than that of any state in the union, has resulted in no injustice to the employer and great good to the children. The children are in school and the work is better accomplished by adults.

Perhaps the greatest achievement of the labor bureau, however, have been in the field of collecting wages from dishonest employers. Formerly the dishonest employer made employees wait many months for pitifully small wages that were needed to keep body and soul together. The laborer was helpless because of the fact that he had no money with which to hire a lawyer. The record shows that up to the be-

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ginning of this year, 8277 claims for wages were filed with the bureau and investigated. The bureau succeeded in settling out of court 5,164 cases in which \$91,812.04 was paid to the claimants. In those cases where the demands of the claimants against employers were unjust they were disallowed.

Finally, the state labor bureau maintains a strict supervision over all employment agencies. Many of these establishments had for years fattened on unjust sums extorted from employees for whom they secured positions.

### INDUSTRIAL ACCIDENT COMMISSION.

The California workmen's compensation act, passed at the 1913 session of the legislature, is the most advanced piece of legislation of its kind in the United States. It requires that all employers of labor shall insure against accidents to their employees, and that adequate compensation shall be paid to the injured workman or to his widow and children if he be killed. The cost of the accident is charged to the industry instead of to the injured workman, the widow, and the orphan who were the least able to stand it; and the industry passes the burden to the insurance companies, as it does the burden of fire losses.

The employer is protected from unjust insurance rates by the establishment of the state insurance fund with the credit of the state behind it.

The administration of this law is placed in the hands of a commission composed of Harris Weinstock, one of California's largest employers, Will J. French, one of the state's foremost labor leaders, and A. L.

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Pillsbury, a man whose study of economic problems has marked him as an authority.

### MINIMUM WAGE COMMISSION.

To study conditions of employment and fix a living wage for the persons engaged in any particular industry is the work outlined for a commission created by the 1913 session of the legislature. The commission is composed of Albert Bonnheim and F. B. Dohrmann, two of California's leading merchants; Arthur Matheson and Mrs. Katherine Philips Edson, representatives of the employees, and Judge Frank J. Murasky of the Superior Court of San Francisco.

### IMMIGRATION COMMISSION.

New York state is facing, dismayed and hopeless, an immigration assimilation problem beyond even her great wealth and strength. The immigrant there, through exploitation, abuse, unemployment, sweat house labor, commercialized vice, has in great measure failed either to live into the American institutions, or transplant into America his own fine European traditions of citizenship. His position, social and political, in the east is a dreadful and unnecessary waste, and to this waste must be added the later developing labor unrest, delinquency and the criminality of the second-generation alien. This fearful social blunder California is determined to avoid. The immigration commission will draw to the state's service the finest technical brains which the west affords and the study and analysis of the problem will be, in the fullest sense, final and fundamental. Once in possession of this standardization of the problem, the com-

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mission can face confidently the alien flood which experts predict will begin with the opening of the canal. The new-comers will be protected, aided, assimilated and, according to the plans resulting from the great federal study of 1910, distributed where their efficiency will bring to themselves and the state the greatest measure of material benefit. No social, moral or material phase of the immigration problem will be neglected by the commission. This creation by the progressives of a commission whose work is almost entirely at first preventive, shows in the fullest manner the foresight and courage of a party which is willing to assume the heavy material cost of preparing in advance for the problem which, if allowed to come unprepared-for could mean a similar disastrous social burden to that borne to-day by the far east.

### STATE HIGHWAY COMMISSION.

The manner in which the project of constructing a state highway system at a cost of \$18,000,000 has been handled, aptly illustrates the method employed by Governor Johnson in dealing with the great tasks facing him as chief executive. He appointed Burton A. Towne, N. D. Darlington and Charles D. Blaney as a commission at a nominal salary to supervise the work. All three of these men had achieved success in their respective professions. Towne is one of the most successful ranchers of the state, Blaney a capitalist and man of large affairs, and Darlington a leading member of the engineering profession. Mr. Towne recently resigned and his place has been taken by Mr. Charles F. Stern, whose appointment is recognized as conspicuously fit.

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With infinite labor these men decided upon the routes to be traversed, keeping before them only the general welfare of the state. Their decisions frequently involved very acrimonious rivalries between towns, and groups of towns, favoring different routes, and it is highly creditable to the commission that its work has left so little ill-will. Approximately 2000 miles of the state highway have been surveyed and specifications for the work prepared. Much construction has been completed.

Austin B. Fletcher, selected as chief engineer, was vested with autocratic authority over all employees of the department. Of 305 employees in the engineering and administrative department, 302 were selected by Fletcher after having made application *without political endorsement*. The three employees not selected by Fletcher were the secretary, attorney and stenographer of the commission.

*The administrative cost of this project will be smaller than that of any similar project ever undertaken by a state government in so far as the records show.*

### SAN FRANCISCO HARBOR COMMISSION.

One of California's greatest assets, San Francisco bay, was found by Governor Johnson to have been converted into an asset of the Southern Pacific Railroad Company. This was brought about through the instrumentality of a state board of harbor commissioners that was amenable to the corporation which dominated the political affairs of the state. Indeed, the fixing of the rents that were charged to the transportation companies for the use of state property

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was actually done under the old regime by an agent of the Southern Pacific and the rents were not too high. The new administration has raised these rents to a fair amount, determined by real estate experts. The state now receives from the railroads, \$137,000 more per annum than it did formerly for the use of the ferry building.

The chief wharfinger was a former politician from Tuolumne who was rewarded with the place for his services to the machine at the Santa Cruz convention. To-day, the chief wharfinger is a man whose knowledge of shipping and whose efficiency are freely conceded by opponents of the progressive administration.

The administration of the present harbor board has resulted in a reduction of dockage charges to shippers by ten per cent., and an increase in the harbor revenue of more than 15 per cent.

Investigation shows that wharf construction under former administrations which was supposed to be permanent was defective through the use of inferior concrete and piles, and general mismanagement. The result was that the harbor was without sufficient wharf facilities and the business of the harbor suffered.

Governor Johnson displaced the Southern Pacific commissioners as their terms expired, and installed a commission which guaranteed to all railroads and all steamship lines an absolutely fair deal. This commission then undertook the project of constructing \$9,000,000 worth of new wharves and other aids to shipping on the San Francisco water front.

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The work of construction has been hurried forward as rapidly as was consistent with good workmanship, and by the time of the opening of the Panama-Pacific Exposition San Francisco harbor will offer to foreign ships the privilege of docking at immense concrete wharves that will equal any construction in the United States or Europe.

### ENLIGHTENED LABOR LEGISLATION.

Although the progressive legislature of 1911 and 1913 contained few members who represented labor in any narrow or class sense, it is admitted by the labor organizations and their leaders that the progressive administration has granted every just demand of the workers and has enacted much enlightened legislation designed to improve the conditions of both organized and unorganized labor. Moreover, the bureau of labor statistics under the progressive administration has enforced diligently and sympathetically the labor laws. This subject has been more fully dealt with elsewhere in this book.

### THE EXPOSITIONS.

California, under the progressive administration, has made liberal appropriations for the Panama-Pacific international exposition and also for the very important exposition to be held at San Diego. When the votes of the progressive members of congress were needed to bring the Panama-Pacific exposition to San Francisco, Governor Johnson went to Washington at his personal expense and secured the support of practically all the progressives in both houses of congress.

## *Summary of the Work.*

### STATE CAPITOL AND GROUNDS.

One circumstance, of minor importance in itself, but nevertheless conspicuous, which indicates the new spirit and the new method in the administration of the affairs of California, is the change that has taken place in the management of the state capitol building and grounds. Before the election of Governor Johnson there was a capitol commission, consisting of the governor, secretary of state and state treasurer. There were twelve employees on the grounds, each of the commissioners selecting four and, of course, each four were independent of the other eight, and all were politicians, relying on their pull, and careless of their work. In consequence, the grounds were neglected. The progressive administration abolished the capitol commission and created a superintendent of buildings and grounds, who is held wholly responsible. The chief gardener is a gardener selected solely because of his skill. All Sacramento, and every visitor to the capitol admits, that the capitol and its grounds have never been in such excellent condition as they are under the existing regime.

### ALIEN LAND ACT.

The progressive administration, representing the great agricultural interest and, indeed, the entire population of California, deemed that the preservation of our soil from alien ownership, and the protection of our people from a terrible and impending race problem, were of infinitely greater importance than any of the considerations urged against the alien land act. California has protected her soil and her people, pre-

## *Summary of the Work.*

cisely as Japan protects her soil and her people, without invidiousness on either side. There was no affront to Japan; but, as Governor Johnson said to Secretary Bryan at the joint session of both houses of the legislature, the question was not whether Japan would be offended, but whether Japan would be *justly* offended.

### IMPORTANT LEGISLATION ENACTED.

The legislative accomplishment of the progressive administration was many-sided and the main items of it are more fully set forth in this volume under other heads. It is sufficient, therefore, in this summing-up of three years of progressive administration to refer, without detail, to such measures, for the protection of the public against fraud and plunder, as the conservation bill, the blue-sky law, the net-container act, the weights-and-measures act, the pure-food statutes, and the tenement-house law; to such measures for the protection of the weak as the old-age insurance law, the mothers'-pension law, the provision of pensions for teachers, the minimum-wage act, and the various measures for the reformation of prisons and prisoners; to such measures for the improvement of public morals as the abolition of racetrack gambling (by itself a monumental achievement), the suppression of the slot machines, the local option law, the law requiring all barrooms to be closed between 2 and 6 a. m., and the redlight abatement law which is intended to make prostitution commercially unprofitable to the *men* that have hitherto extended, stimulated and commercialized the business

## *Summary of the Work.*

for the huge gains that it offered; and to such measures of general character as the free-text-book statute, the civil service law covering practically all employees of the state government, the tax-reform laws which place the collection of the state's revenue on a footing of justice and scientific correctness, the creation of a commission for the study of rural credits which, it is hoped, will lighten the financial burdens of the farmer; and the establishment of a commission, with a liberal appropriation, to solve, as one problem, the flood situation in the Sacramento and San Joaquin valleys.

The progressive administration of California, which is now before the people for their judgment, is content to be judged by what it has done. The progressive party of California has done everything that it promised to do; and much beside. It has completely removed the Southern Pacific Railroad Company from the political control of California and by such measures as the initiative, the referendum, the recall, the civil service, the grant of the suffrage to women, the direct primary, and the election of United States senators by the direct vote of the people, has rendered it exceedingly difficult for the railroad machine to regain, or, if regained, to keep for any length of time, the power that it so long possessed. The progressive party has eliminated waste and graft, and brought about efficiency and order in all the departments and institutions and in the financial system of the state.

## *Summary of the Work.*

### SOCIAL REFORMS.

The progressive administration has brought California from darkness into light by a comprehensive scheme of social reform—exalting manhood above property, recognizing the changes that have taken place in the relation of the worker to his trade, taking note of the breakdown of the stern individualism of the last century, and emphasizing the obligation of the community to protect the weak against the strong; but all with common sense and without running to fads or isms. The farmers, the workers in the cities, whether organized or not, the schools, the interests of business, have had their rights protected and their needs served by the progressive administration. All this has been done without unnecessary or alarming agitation. And there has been no heckling of the great corporations for political purposes. Notwithstanding the radical and almost revolutionary changes that have occurred, during the last three years in California, in the relation of the community to public-service corporations and “big business,” the railroads and other great corporations are forced to concede that the progressive administration, and particularly that part of it, the railroad commission, with which they have most to do, has been just and wise in its dealing with them. Of course, corporation men that were trained in the old school, and recall the halcyon days when Mark Hanna dominated the nation, are not reconciled to the new ideas or the new methods; but the new generation of corporation managers perceive that we have come upon other times, that the public has become the para-

## *Summary of the Work.*

mount partner in all enterprises that use the public property, and that the world will not turn backward. Such corporation men are glad that the great change has occurred under an administration led by such men as Governor Johnson, and Commissioner John M. Eshleman.

### THE MAN AT THE HEAD.

To the great work of the progressive administration in California many men and women have contributed. But all these men and women, from the south and from the north, have looked and still look with one accord to Hiram W. Johnson for leadership. In days of doubt, he saw the way clearly. In days of conflict, he led the fight with skill and most indomitable courage. In days of gloom and depression—and such days came—he gave heart and hope and vision to the despondent and the faint. Others made sacrifices, but he made the greatest sacrifice. Others stood the fire bravely, and endured without flinching to be belied and misunderstood; but on him were concentrated all the batteries of the enemies of the people, and on him the reactionary press centered its vilest calumny. He never failed or faltered in any situation; not when his own friends were pressing him to be less than thorough in his work of restoring the government to the people; not when the federal government, the misinformed press of the nation, and many of our own people were urging him to temporize on the alien land ownership question and threatening to hold him responsible for plunging his country into the war that did not hap-

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pen; not when self-interest and party-loyalty pleaded with him to refrain from leading the great secession at Chicago; not in any of the soul-trying crises that have marked his administration. And always, and in every situation, Governor Johnson has spoken his own mind and has been his own master.

## THE MEANING OF THE SOCIAL LEGISLATION OF THE PROGRESSIVE PARTY OF CALIFORNIA.

The purely social legislation of the Johnson administration, i. e., workmen's compensation, minimum wage commission, immigration commission, is the single, clear, courageous realization of the vitally new status that American industrial life has assumed, that can be found anywhere among the states. It is an almost humorously cruel truth that the old parties in this state and in the nation continue to claim the existence of an industrial status which every great authority acknowledges disappeared finally in the period of the 90's, following the panic of '93.

These two parties continue to say today that America is the land of fine and equal industrial opportunity; that our laborers are the business men of tomorrow, and that the self-centered and careless individualism of our fathers is sufficient for us and ours. This is, even in the language of those dense persons, the economists, "a cruel and heartless jest." What has been soberly called "the modern industrial misery" showed itself first in the depression and the bread lines of the dark days of the 90's, and the unrest which at times convulses industrial states and which every moment exists as a live threat, comes from and has its being in concrete, statistically studied and proven misery.

A deep reaching change in the very foundations of the nation had come. The indignant and bitter demands of the American labor world then and now are

## *Meaning of the Social Legislation.*

alone stimulated by the refusal of social reactionaries to recognize this fundamental change in industrial life, which change, as every student of politics knows, Europe had recorded numberless times in the great social legislation of her 80's.

The progressive social legislation in California is a fine attempt to force careless America to assume all too tardily her plain and imperative social responsibilities. Any attempt to designate this California legislation "nagging," "harmful," "bad for business" or "injurious to California's competitive ability" is the tiresome and familiar attempt to keep contemplation on superficial self-interest and block wise and humane foresight.

A second viewpoint is that it will be foolishly dangerous to meet this growing and fundamentally menacing labor demand by a reactionary refusal. Roosevelt showed his almost uncanny political instinct when he claimed that he was in reality the best friend that capitalistic enterprise in America had, because he would meet and satisfy these new and radical demands of the laboring world and thereby save the great foundations of our industrial institutions. "The alleged friends of business," he prophesied, "would block the demands and then go down bewildered in the inevitable crash." To quote a thought from J. R. Commons, the greatest living authority on American labor, "Quibble and do nothing to meet the labor unrest and in one generation the United States will be caught up in a bloody revolution."

## *Meaning of the Social Legislation.*

It seems curious that the progressive party in California, standing as it does in this dual character of both a grave assumer of these vital social responsibilities, and also a far-sighted warder-off of a dangerous unrest and possible nation-wide labor riot, should be attacked first by capitalistic production standing in this danger, and secondly, unappreciated by those who openly and smugly profess social hope and interest.

The material evidence of this lone battle of Johnson and the progressives against social danger and apathy is shown in the plain unadorned program of the following commissions:

### THE INDUSTRIAL WELFARE COMMISSION.

The industrial welfare commission should be called the "minimum wage commission." This commission is more than the cleanser of the dozen sweated industries of the state; more than a police power to turn an underpaid, underfed, unhappy child worker into our vaunted California child-type. The commission is vital to California because it will stop the founding of those New York type immigrant-using industries which, to exact information, are known to be today watching for the flood of immigrants from the canal. Let the state persist in passivity and allow the mass of moneyless Europeans freedom to sell their labor limited in its price alone by their known dire need, and our own state will step beside New York as the possessor of an industrial life which cripples and kills, harbors disease and misery, creates conditions which make normal, commercialized vice and perverted

## *Industrial Welfare Commission.*

practices, and which will finally rot our politics and taint the entire state. There is no language dismaying and violent enough to even soberly describe the conditions of unrestricted industrialism shown by the great Chicago and New York vice commissions' reports.

The old argument that a wage below the normal, pressing cost of human up-keep remains the great cause of almost all the degradation seen in an industrial community, has been resubstantiated by the dozen great state and federal investigations since 1907. It is argued that California's conditions are not dangerous; that only 40 per cent. of the employed women and girls receive less than \$9.00 a week. But if only 40 per cent. of these weaker workers are trying to maintain a pitiful dignity and hungry bodies on \$4 or \$5 or \$6 a week, is not the problem vital? The industrial welfare commission must learn just the exact measure of human misery and social danger that this abnormal wage for the 40 per cent. spells for the state. It must decide at what wage a woman or girl can live in every sense which the word "live" means. The hours of work have been settled for women by the great 8-hour law and the twin problems of wage and sanitation and safety remain to this new commission. No matter how justly proud California rightly is of the proven humanity of the state's employers, there always remains the vicious and cold minority and the welfare commission is for them. Not only will the commission protect the women and girls through uniform laws, but these very laws, because

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they are uniform, protect the humane majority from the wage-cutting, women-exploiting, minority. The cry that California industries will, because of this burden, fall in competition is silenced when it is mentioned that our competitors in our isolated Pacific empire, Washington and Oregon, both live under the rule of identical wage commissions. There can be no emphasis too strong in condemnation of low sweating wages for women and girls. It insures the driving out of men from the industries by women, the debasing of the industrial status of the family, the spread of a lower standard of life which alone can live on the debased wages and in the end the turning of weakened, undernourished women to prostitution, the men first to wandering casual labor, and later to recruit the vagrant class. The rise of parasitic industries living alone on the slowly sinking labor class in a city is the herald of not only the rise of small criminality, but the even more fatal condition of deep-reaching political corruption. These industries, never paying their social cost, are in every accurate sense a parasitic growth upon a decaying industrial body.

The welfare commission will come before the state to ask for an important aiding amendment this fall, and it will be a conscienceless voter who will deny it.

### THE COMMISSION OF IMMIGRATION AND HOUSING.

Why did Hiram W. Johnson and the progressive party create the commission of immigration and housing of California?

First: because the fatal failure of the eastern

## *Commission of Immigration and Housing.*

states to even begin the solution of the immigration problem is now in these last ten years fully and bitterly realized. New York and Chicago's municipal political corruption, the vicious rise of commercialized vice and the exploitation of aliens, the creation of a permanent tuberculosis infection center in the alien tenement district, the menacing increase in criminality among the children of aliens, the hideous social and economic degradation found and minutely studied by the federal government among the immigrant workers in New York's and Chicago's sweated industries; all these burdens go back to careless, criminal administration indifference and shallow statesmanship.

The fact that this problem puts a premium on administrative courage and opens the party pressing a creative program to the attack that they are wasteful dreamers, seems never to have occurred to Johnson. One great difficulty will be for even true progressives to read the great meaning of this fine, brave, slow-to-mature social venture which is bound up in the creation of the immigration commission. Mary McDowell, a great woman of national reputation, twenty-one years in the service in the most congested center of Chicago, said with deep feeling, in reference to the California immigration commission: "Hiram Johnson and his party have that, Oh, so sadly rare character, that of social vision, coupled with a cold business determination and courage to put it through to the last and final application."

California has that rare opportunity of being able to prepare before the immigrant flood comes. There

## *Commission of Immigration and Housing.*

will be no need of a repetition of the sad New York story. You may ask: Is there an immigration problem now, or the beginnings of a problem? Yes, there is. The commission is but two months old, but a careful investigation of the field has been made. This is the result:

A. Immigrants are robbed and exploited and girls stolen in various parts of the state. Immigrant mothers with little children are taken merely into the foreign quarter and there overcharged and dumped into the street. This may happen near an immigrant hotel, or blocks from one; in stormy weather or clear.

B. The immigrant lodging houses of California are to practically 100 per cent. dirty, foul, infectious, and morally dangerous. They represent the products of an unlicensed, unregulated trade which with this inattention gave New York its gravest problem.

C. The living conditions of labor camps, whether found on construction jobs, at the hop-field, at canneries, fruit orchards or in lumber camps, in California, are with small exception hygienically deplorable. They are a fruitful cause of labor trouble and agitation; the Wheatland hop-pickers murders being the direct result of intolerable camp sanitation. This brings out clearly a grave danger to California. If living conditions among the camps in this coming summer are not bettered, the I. W. W. promises to "tie up" the state, and there is fundamental evidence that this is not an idle threat. The labor camp housing and sanitary conditions *must* be bettered.

D. The condition of tenement houses in San Fran-

## *Commission of Immigration and Housing.*

cisco and Los Angeles is deplorable. The tenement house act itself is being fairly well obeyed, but the conditions of sanitation and crowding are a disgrace and a danger to the state. Old tenements erected before the passage of the new law violate in every detail the new standard. A vast number of these should and will be condemned. It might be mentioned that however distressing these conditions are now, they will be manifoldly worse if a sudden flood of aliens land next year in the city.

E. It has been established that the menace of organized white slavery is in San Francisco, and that the coast after the opening of the Panama canal will stand in the identical danger which prompted the Chicago vice commission report to say: "In the end prostitution is an immigrant question."

F. Shyster lawyers have long reaped a harvest in San Francisco and Los Angeles among aliens. The immigration commission has within the two months secured convictions under criminal charges in cases of this kind; restitution of stolen money has been forced and disbarment proceedings instituted. This is a field demanding immediate attention.

G. A study has been made of the advertising methods of agricultural land companies, coupled with an investigation by the state university land experts of the self-evident over-valuation of certain projects. The results of this work are so sensational that it will be necessary to check up the first data. This real fraud injures numberless trusting alien investors and can only be in the end morally and financially injurious for the state.

## *Commission of Immigration and Housing.*

H. A sincere attempt will be made to begin the analysis of unemployment by examining the agricultural and industrial opportunities for unskilled labor in, or to be in, the state. This is the single way to decide whether a surplus labor supply is permanent or temporary.

New powers that are needed for the immigration and housing commission:

1. To enforce the decisions of the state board of health regarding labor camp sanitation.
2. As a state commission on housing, to enforce in co-operation with municipal health boards, the state tenement house act of 1911, and to condemn unsanitary buildings unfit for human habitation.
3. As a parallel power to that given the New York bureau of immigration, the commission desires power to license lodging houses in the state which are used by immigrants, the license being obtained only when the proper standard of sanitation is proved.
4. Wishes strict laws covering the seduction of women which will protect the immigrant girls in transit and at depots.

## INDUSTRIAL ACCIDENTS IN CALIFORNIA. HOW CALIFORNIA HAS CAUGHT UP WITH EUROPE IN DEALING WITH THE KILLED AND WOUNDED OF INDUSTRY.

Few laws in California aroused the interest that followed in the wake of the employers' liability act, which became effective on the first day of September, 1911, but which has since been superseded by the workmen's compensation, insurance and safety act which went into effect January 1, 1914. It revolutionized the relations heretofore existing between employers and employees. The period of transition from the old to the new method of treating those injured while engaged in industry, and of providing for the dependents of those killed, has resulted in a demand upon the best thought of the people of the state for a solution of the problems presented.

### THE VOTERS' EMPHATIC EXPRESSION.

That there is a pronounced opinion in California in favor of a change from employers' liability to workmen's compensation is evidenced by the vote on October 10, 1911, when proposed amendments to the state constitution were submitted to the people. By a vote of 147,567 for, to 65,255 against (a majority of 82,312), this section was added to Article XX:

"The legislature may by appropriate legislation create and enforce a liability on the part of all employers to compensate their employees for any injury

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incurred by the said employees in the course of their employment irrespective of the fault of either party. The legislature may provide for the settlement of any disputes arising under the legislation contemplated by this section, by arbitration, or by an industrial accident board, by the courts, or by either, any or all of these agencies, anything in this constitution to the contrary notwithstanding."

Thus the progressive administration received *an emphatic mandate from the people* to enact the compensation, insurance and safety legislation which went into effect at the beginning of this year.

### THE VIEWS OF THREE PRESIDENTS.

President Woodrow Wilson was responsible for the enactment of New Jersey's workmen's compensation law and he has repeatedly urged the adoption of such legislation, and his latest book, "A New Freedom," says it is our duty to "humanize industry." While governor of New Jersey, Mr. Wilson said in September, 1911, while addressing a governors' conference, and discussing insurance for the compensation risk: "I started a scrap yesterday; I don't know that I want to start another one." This expression shows how earnest the President was, and is, in behalf of substituting for liability the system of workmen's compensation, and providing for adequate insurance facilities for employers.

Ex-President W. H. Taft is an ardent supporter of workmen's compensation and his messages to congress teem with references in support of his belief. He declares that perjured testimony, emotional juries and badly-constructed laws limiting liability have

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tended to hamper the administration of exact justice, while the heavy expense of litigation has rendered it almost impossible for the poor man to command his rights. On April 27, 1912, President Taft said: "I should like to see a genuine revision of the tariff, substantial financial and currency revision, and the enactment of a workmen's compensation bill. Of the three I consider the last of vital necessity and national importance. Although not affecting so many people as the tariff, or possibly currency reform, it touches the very foundations of our prosperity and contentment—harmonious and cordial relations between capital and labor. Any law aimed at bettering conditions between labor and capital ought to be free from political bias, and there ought to be no injection of politics. Man to-day is injured through the inherent dangers of industry, and the basis of compensation ought to be changed to make a risk of industry itself, so that the liability will follow from the fact of injury."

Ex-President Theodore Roosevelt said in his presidential message in 1908: "It is a matter of humiliation to the nation that there should not be on our statute books a provision to meet and partially atone for cruel misfortune when it comes upon a man through no fault of his own while faithfully serving the public. In no other permanent industrial country in the world could such gross injustice occur; for almost all civilized nations have enacted legislation embodying the complete recognition of the principle which places the entire trade risk for industrial

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accidents (excluding, of course, accidents due to wilful misconduct by the employee) on the industry as represented by the employer."

### TWO INTERESTING OPINIONS.

The New York court of appeals has declared that "the inherent risks of an employment should in justice be placed upon the shoulders of the employer, who can protect himself against loss by insurance and by such addition to the price of his wares as to cast the burden ultimately upon the consumer; that indemnity to an injured employee should be as much a charge upon the business as the cost of replacing or repairing disabled or defective machinery, appliances or tools."

Dr. Gustav Stresemann, a former prominent member of the reichstag and a well-known economist, has just returned to Germany after a tour of the United States. Here are his words: "The conditions in most American factories in respect to safety are simply horrible, and any German factory inspector would be astounded if he could observe the dangers to which the majority of workmen are exposed."

### STARTLING GENERAL STATISTICS.

Figures issued by the national council of industrial safety show that 2,035,000 men and women are killed or injured each year. This represents a worker killed each 15 minutes or an industrial injury every 16 seconds. Each hour there are 232 workers either killed or injured. This represents an economic loss of stupendous proportions, and from a humanitarian

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point of view it rivets public attention on the heavy toll exacted in the course of business.

It is this needless sacrifice of workers that has caused W. J. Ghent, an authority on the question, to compare the present with the days of the Civil War and to follow up a vivid picture of the slaughter of Gettysburg with these burning words:

“Seven thousand killed outright, 33,000 wounded, say the records, and yet others killed and wounded among the eleven thousand reported missing. For days and weeks thereafter a pall of gloom hung over North and South. The telegraph ticked off its seemingly interminable lists of dead and wounded, and by mail and messenger the news was carried far and wide. Everywhere the nation mourned for the untimely death of its loved ones. Now we live in a time called peace. Yet every year we have a Gettysburg, and not only a Gettysburg, but a Spottsylvania, and a Chancellorsville, and an Antietam, and a Fredericksburg, and a Chickamaugua, and a Stone River rolled into one. Yet all of this slaughter crowded into a single year does not awaken a shadow of the horror that followed the news from any of these historic battlefields. When we think of it at all we merely shrug our shoulders and say, ‘Poor fellows ; it is their lot !’ and then we go on again with our tasks and our pleasures.”

### THE 1912 DEATH AND ACCIDENT LISTS.

California’s reported death roll in the occupations during 1912 amounted to a loss of 412 able-bodied men. These deaths represented a wage loss of \$10,454,637.

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Accidents causing temporary disability numbered 8681 and a wage loss of \$729,084. Permanent injuries were sustained by 534 persons and their wage loss was \$3,353,520. These three items alone give the stupendous amount of \$14,537,241 lost to the state of California for the year.

### THE 1913 DEATH AND ACCIDENT LISTS.

During the year 1913, 24,177 accidents were reported to the industrial accident board. Of these 12,106 came within the provisions of the accident-reporting law. Of this number 583 represented deaths. The list of those permanently disabled shows a total of 864, of which number 5 were totally disabled. The total number temporarily incapacitated was 10,659. The wage loss was \$17,678,859.42, of which amount \$12,837,422.40 was lost through death, \$4,755,890.53 through permanent injury and \$662,292.67 through temporary injury.

### ESTIMATED AGRICULTURAL DEATHS AND ACCIDENTS.

In agricultural employments and in domestic service in 1913 there were 201 deaths, 302 permanent injuries and 3865 temporary injuries.

### RELATION OF REPORTED ACCIDENTS TO TOTAL NUMBER.

These figures but partially show the gravity of the burden of industrial accidents laid upon California, owing to the fact that employers engaged in agricultural industry or domestic service were specifically exempt under the terms of the law, and that accidents in all employments in which the disability extends over a period of less than one week were

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also excluded, and also because it required much time to acquaint the employers throughout the state with their obligations in regard to the reporting of accidents.

### COMPULSORY COMPENSATION, INSURANCE AND SAFETY ACT.

The world-wide abolition of the liability system of treating injured men, and the substitution therefor of compensation has now been accepted by the state of California.

The new way of computing compensation, which is compulsory, excepting for agricultural pursuits and domestic service, is based on the nature of the physical injury or disfigurement, the occupation of the employee and his age at the time of such injury. This will give some men more than others, according to the schedule based on the three essentials referred to. In addition, there is provision for pensions, at a reduced rate, for those who are permanently and seriously hurt and who are unable to follow their vocations. In order to meet this extra cost, which affects very few men, the compensation payments will not begin until two weeks after disability. It is believed the addition of the extra week, as compared to the one week of the Roseberry law, will pay fully for the pensions of those who have been eliminated from the industrial field.

The new law requires full medical and surgical attention for injured wage-earners for the first ninety days. The theory of this section is that compensation may be saved if the injured person can be re-

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stored to efficiency as speedily as possible, and, outside of that, there is the humanitarian viewpoint that considers each man or woman engaged in industry as a national asset.

### SAFETY DEPARTMENT.

The safety department of the new law is elastic in administration, following the Wisconsin plan. Hearings will be held at which both employers and employees will be represented, in conjunction with the safety experts of the industrial accident commission, and afterward there will be issued rules, orders or regulations requiring preventive measures that will reduce the number of casualties in the various occupations. Wisconsin employers and employees have found this new way very satisfactory. It insures co-operation between all those interested, and the commission has authority as binding as law after the hearings have been held. Common sense and good judgment can both be used to advantage in protecting machinery and making places of employment safe.

### STATE INSURANCE.

Important indeed is the state compensation insurance fund. The only practicable way for employers to protect themselves and to add the cost to the business is by carrying insurance. Realizing this, there have been provided four methods: first, the state compensation insurance fund; second, the regular insurance companies selling compensation coverage; third, mutual companies of not less than one hundred employers with an aggregate pay roll of

## *Industrial Accidents in California.*

\$500,000 a year; fourth, the employer to carry the risk himself. These methods are optional for employers. The object of the state compensation insurance fund is to sell coverage at a fair rate that will make sure that the injured men and women receive all that the law calls for, and will also have the advantage of reasonable cost to employers.

### SAFETY ENCOURAGED.

Insurance rates are based on not only the hazard of the industry but the way that plants are safeguarded. The employer who installs all the protective devices possible, who places safety rails at the head of openings in floors and who takes all the numerous other precautions that are not only advisable but necessary, will be charged a lower rate than will the man who is careless in these respects. This means that there will be a premium for the careful and humane employer, and the cost of his installations for the protection of his employees will be repaid by the lower rates charged. The indifferent employer who is neglectful will have to pay a higher price for his insurance. As premiums are always based on the hazard of the industry, the prime object is to prevent all the deaths and all the injuries possible. This object is good for the nation and for the state, and it certainly should appeal to every man and woman regardless of relations in industry.

Statistics will be carefully collected under the compensation law, so that the public may secure all the information possible concerning the industrial accident situation. Not only will the facts and fig-

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ures gleaned prove of general interest, but the insurance rates are based on the hazard of each industry, which makes accuracy in the statistical department especially important as regards cost.

Appeals may be taken from decisions of the industrial accident commission to either the supreme court of the state or to the district court of appeal.

### A SUMMARY OF WHAT HAS BEEN ACCOMPLISHED.

The industrial accident board pioneered the way in a new venture into social legislation. The path was not easy. There soon developed strong opposition to the Roseberry law of 1911, even though it did not go to the root of the problem, and afforded both employers and employees an option of operating either under liability or compensation. Many men took the position that they were willing to pay for the accidents they caused, or indirectly helped to cause, but they deemed it an injustice to have to contribute for other disabilities. This belief is rapidly waning. A percentage of accidents is charged to employers, a slightly larger percentage is the result of negligence on the part of the employees, but the largest volume, by far, are trade risks, injuries that nobody can foresee or prevent, under present industrial conditions. The newer and better theory is to group together these three percentages and consider them as incidental to business and charge the whole cost to business. This means that, finally, the "ultimate consumer" will pay the bill.

There is a marked changing sentiment in the state of California in respect to workmen's compensation.

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The horrors of the liability system are disappearing, and there is none to regret the fact. Costly and uncertain, affording no relief to thousands of injured or to the dependents of the killed, our own land has proved slowest in grappling with one of the causes of poverty and industrial unrest. Now it is considered the proper thing to admit that compensation is not only right in theory but also in practice.

After taking office on September 1, 1911, it was at once recognized by the industrial accident board that additional legislation should be requested at the very earliest opportunity. Inasmuch as the legislature met during the following December, two bills were introduced and passed authorizing the board to make a complete survey of the field. This enabled the formation of a statistical department and a study of the way other countries were providing compensation for injured workers.

### NOTHING NEW IN COMPENSATION.

It was early believed that the optional sections of the Roseberry law were confusing and generally unsatisfactory, and that the very large majority given to the constitutional amendment showed that the popular wish was for the more equitable compensation method. As a result of this situation, the time and ability of the board were partly directed to preparing the legislation, so that nothing ill-advised should be introduced. It is opportune to state that all the leading features of the new law that became effective on January 1, 1914, have been tested somewhere on this earth and not found wanting. We had the world

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to select from, and chose the best, making such changes as seemed needful for the state of California.

Thousands of injured men and women, and the dependents of the killed, have paid personal visits to the headquarters of the board. For the first time in California's history, these citizens, who had become dependent on others by reason of the casualties that follow in the wake of business, were able to have state protection and assistance given them without cost.

At first glance, it might seem strange that only about 83 formal cases of disputes have come before the industrial accident board during two years. The word "formal" is used in the sense that the board had to sit as a court of arbitration and decide the issues between employers and employees. As a matter of fact, this is the highest commendation for compensation. Out of several thousand cases that came under that part of the law, nearly all were settled between the parties directly concerned, or after the co-operation of members of the board had been secured in an advisory capacity. The outcome was little or no friction between employers and employees, no loss of time before financial assistance was rendered the unfortunate injured, and almost invariably the men returned to their former positions on recovery.

### C<sub>ONTRAST</sub> WITH THE OLD WAY.

Contrast this situation with the old way,—inadequate settlements, generally no settlement at all, friction all around, delay and the bitterness that followed litigation. In addition, some lawyers were

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ever alert to make capital by striking at both employer and employee—at the former through a suit for damages at usually a sky-line figure, and at the latter by a cast-iron contract that would net but little for the crippled man. And when one thinks of the perjury practiced and the difficulty of securing witnesses who were anxious to retain their positions, it will be seen at a glance that better days are here and that no longer will the evils of liability prevail.

California has taken the initial step toward treating her men and women of labor as human beings. Never again will the hurt man and the widows and little children of the industrially slain be left to the mercies of public or private charity. Compensation, buttressed by insurance and safety provisions, has displaced the old order. Each step hereafter will be forward, in keeping with the times and the experiences of other lands.

### CALIFORNIA EMPLOYERS SATISFIED WITH COMPENSATION.

Employers to the number of 1160 voluntarily accepted the compensation sections of the Roseberry law. These acceptances afford an opportunity to give the experiences of a representative group of men engaged in industry in this state. Many of the employers had on their payrolls more than 1000 employees—ranging from 12,000 down. Others accepted compensation for one or more employees. The united testimony was decidedly favorable for compensation. Opportunities to withdraw at the end of the first year were offered by law, but there were practically

## *Industrial Accidents in California.*

no withdrawals, thus conclusively proving the statement of universal satisfaction.

The cost of the new compensation law is not in excess of the cost of the liability law. Professor Albert W. Whitney, formerly of the University of California and now expert for New York's insurance department, spent several months co-operating with the state officials, and he says he is prepared to stake his professional reputation on the equality of cost of compensation for employers, after comparing the two laws.

The "Standard Oil Bulletin" of November, 1913, thus editorially described the viewpoint of the Standard Oil company, a company conceded to be alert to its business interests:

### **"OUR EMPLOYEES.**

"When the legislature of this state passed the first industrial compensation act, which became effective September 1, 1911, regulating the liabilities of employers to their help, it was made optional with them whether to accept it. The officers of the Standard company, however, immediately took steps to be advised about the provisions of this law and the advisability of going under it. This inquiry led to the belief that the men of this new industrial accident commission were men of high intelligence and character; also that the conditions then obtaining in the courts concerning damage suits for personal injuries were very unsatisfactory, as the result of each trial was usually left to the jury on some pretext or another and the former practice of the courts to reduce the amount of excessive verdicts had practically been abandoned. Moreover, the bringing of these damage suits had become a sort of special practice with many

## *Industrial Accidents in California.*

members of the bar, who worked usually on contingent fees running from a quarter to half of the amounts recovered. In many cases these attorneys were not over-scrupulous in procuring a little testimony which would enable them to get a case to the jury. As a rule, very few business men sat upon juries in these damage cases, and a big verdict was confidently expected and usually obtained in each instance.

"On the other hand, it was found that under the 'liability act' all the money paid for injuries to employees went directly to them or to their families.

"Under these conditions it was promptly decided to accept the act; a step which has not been regretted.

"The instances in which the company has been unable to settle with its employees, and where the act has been invoked, have been very few. Since the compensation law became effective there have been only six cases involving any controversy and requiring a hearing and decision by the board. The company now takes pleasure in stating that it has uniformly received fair and courteous treatment from the commission. The company has not only paid every award made in favor of employees, or their families (without appeal), but has also complied with the recommendations of the board to make certain payments not technically required under the law, but which seemed to merit the consideration of the company under the circumstances of the case. The result has been more money for employees and families and less for the lawyers. In addition to this, injured employees have received their money when they needed it most—that is, soon after the injury, instead of at the end of years of litigation. These facts are in favor of the commission in preference to the courts as the tribunal for the settlement of these matters. The new law will soon go into effect and makes it

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compulsory upon all employers to accept and comply with its provisions."

### THE WORLD EXPERIENCE.

Bismarck was the first statesman to seek a remedy for what had become a menacing evil. He promptly declared the old, "tort" system of dealing with the problem a failure and, looking about him for a remedy, found it in some survivals of insurance organizations which had come down from the old mediæval guilds. He made the employers of Germany the limited insurers of their men, the limit being what was needed to tide injured workmen over their periods of adversity until they could again support themselves. The employers charged the cost of this insurance into their product, the consumers paid the bill, and the third greatest cause of poverty in Germany ceased to be a cause of poverty at all.

*All the nations of Europe, except Turkey, have followed Germany's example, at least in so far as substituting a limited insurance for an action for damages in "tort" is concerned, and so have the British colonies of Africa, Australia, New Zealand, British Columbia, upwards of thirty nations and states of the world outside of our own country, and twenty-four states of the American union.*

### STATES THAT HAVE ADOPTED COMPENSATION.

The following twenty-four states have passed compensation laws: Arizona, California, Colorado, Connecticut, Illinois, Indiana, Iowa, Kansas, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New York, Ohio,

## *Industrial Accidents in California.*

Oregon, Rhode Island, Texas, Washington, West Virginia, and Wisconsin.

In nearly all the other states there are legislative commissions busily engaged in preparing for compensation legislation. Within a very few years all the states will have compensation laws. They will undoubtedly be compulsory in character. The best economic thought of the land favors that system. Employers and employees are likewise united. *The National Association of Manufacturers* is strongly on record for the abolition of liability and the installation of compensation, and the American Federation of Labor has taken similar action.

The federal government is contemplating the passage of one of two compulsory bills now before congress. Within a few months all federal employees will be fully cared for when unfortunate enough to be injured while at work.

### UNFOUNDED OBJECTIONS.

California is not the first state to adopt compulsory compensation. Three other states have similar laws. Other states are contemplating the compulsory method, and are more and more making it difficult to operate under liability, by abolishing the common-law defenses and requiring election of liability instead of election of compensation.

In California the following classes are excluded from the compulsory provisions of the law: "Any person whose employment is both casual and not in the usual course of the trade, business, profession or occupation of his employer, and also excluding any

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employee engaged in farm, dairy, agricultural, viticultural or horticultural labor, in stock or poultry raising or in household domestic service."

The purpose of the law is *not to place any burden on the employer*, but to *relieve him* entirely of vexatious and exceedingly costly lawsuits, and the possibility of awards from juries far in excess of liability insurance protection. The various forms of insurance provided by the state will enable this to be done without excessive cost, and the premium will rightly be added to the charges of business and included in the cost of the manufactured article.

There is no humane reason, nor is there the least justification, for continuing to place all the burden of industrial accidents upon the shoulders of crippled workers. Especially does this apply to the widows and the little children of the killed. These unfortunates pay their full share in human life, blood and bone, and they are recompensed only in part when the financial ledger is made up.

*Compulsory compensation has proved satisfactory all over the world.* Insurance is the employer's protection and the only logical method of charging the cost to the business. Accident prevention is most important of all, for it represents saving of lives, reduction of countless injuries, lowering the premium rates to employers, and truly is the aim of men and women who give the most thought to the welfare of their fellows and have a conception of the attitude that should be the concern of the nation for its wards.

The Illinois commission, in its printed report,

## *Industrial Accidents in California.*

stated that employers in the United States paid \$22,000,000 each year for protection against lawsuits under liability. But a small fraction of this vast sum went to injured employees. Under compensation nearly all this money will go to the dependents of the killed or to the injured.

The new workmen's compensation insurance and safety law does all this and its success is unquestioned.

## WORK OF THE BUREAU OF LABOR STATISTICS.

THE DEPARTMENT WHICH HAS ENFORCED THE LAWS  
FOR THE PROTECTION OF WORKING MEN  
AND WOMEN.

The bureau of labor statistics was established in 1883, but until the present commissioner was appointed its scope was confined principally to the gathering and compilation of statistics and the bureau was of little or no value. The office of commissioner was deemed a sinecure and when the progressive administration came into power was occupied by a well-known county boss of the old railroad machine. The office was not taken seriously until Hiram W. Johnson became governor. John P. McLaughlin was appointed commissioner in March, 1911. At that time the staff of the bureau consisted of seven persons and there was an annual appropriation for all purposes of \$23,100; but its work has grown in the past two years to such an extent that there are at present twenty-four persons regularly employed and the appropriation is \$38,000. The complaints now investigated are many times as numerous as they were four years ago.

The scope of the bureau has been expanded to take in the enforcement of all laws pertaining to the welfare of labor and to lend assistance to the toiling masses who are unable to get a hearing of their grievances at other places.

## *Work of Bureau of Labor Statistics.*

Among the laws now being enforced by the bureau are the child labor law, the eight hour law for women, the eight hour law in mines, smelters and underground work, the ten hour law for drug clerks, the pay check law and the payment of wage law; also laws pertaining to the regulation of employment agencies, the sanitation and ventilation of factories and workshops, the sanitation of labor camps, and the protection of workmen on buildings. Practically all of these laws were enacted or amended so as to make them useful by the progressive legislatures of 1911 and 1913.

### CHILD LABOR.

Probably the greatest work accomplished by the bureau has been the practical elimination of child labor in the industries of this state. The aim of the present commissioner has been to obtain at least a grammar school education for every child before it enters the ranks of industry. This has been virtually accomplished by amendments to the child labor law, which were recommended by the bureau. When the present commissioner took office the child labor law was being ignored by most employers. After a year of strict enforcement of the law, the number of children under 16 years of age employed in 5123 establishments inspected by the bureau—in which 148,549 persons were employed—was 1331, or less than one per cent of the total number of employees.

The enforcement of the child labor law is reflected in the enrollment and attendance in the public schools. During the year ending June 30, 1912,—or the first

## *Work of Bureau of Labor Statistics.*

year of the present commissioner's term of office—the enrollment in the primary and grammar schools of the state increased 22,290, as compared with an increase of 12,294 during the preceding year. The percentage of increase during 1912 was 6.7 per cent., as compared with 3.8 per cent. during 1911; 3.2 per cent. during 1910; 4.4 per cent. during 1909. The average daily attendance in these schools increased 17,083 during 1912, as against 11,081 during 1911. The percentage of increase during 1912 was 6.5 per cent., as compared with 4.4 per cent. during 1911; 3.1 per cent. during 1910; 5.3 per cent. during 1909.

### WOMEN.

The bureau undertook the enforcement of the eight hour law for women and sent its agents out on a tour of inspection covering over 9500 establishments to make investigation of violations thereof. In addition over 1300 complaints for violations of this law have been filed in the offices of the bureau and investigated. Prosecutions were brought in 135 instances. A test cast in an action against a hotel (People v. F. A. Miller) was taken to the supreme court of the state, where the constitutionality of the law was upheld. The case was then appealed to the United States supreme court, and the bureau will appear when it is called for trial. At the 1913 session of the legislature the law was amended to include hospitals in its scope. Some time after the amendment was passed an action was brought in the United States district court, asking for an order restraining the commissioner from enforcing the law

## *Work of Bureau of Labor Statistics.*

with respect to hospitals. The order was denied and the action has since been taken to the United States supreme court.

Establishments in which women are employed have been required to furnish seats for their female help and permit them to use them when not engaged in the active duties of their employment. The furnishing of seats has been particularly beneficial in the case of saleswomen and girls in department stores where they were formerly compelled to stand all day. Separate toilets and lavatories have been ordered installed in establishments where women are employed and the use of the rooms by the opposite sex prohibited.

The bureau has been wiping out the practice, which was general a short time ago, of sending girls out on road shows and stranding them in strange towns without friends or funds and telling them to shift for themselves. Every show manager found doing this has been apprehended, when possible, and prosecuted if he failed to return the girls to their homes and pay their expenses. The commissioner has served notice on the various theatrical booking agencies warning them to refrain from booking girls for road shows, unless the agencies are satisfied with the financial standing of the manager; otherwise the commissioner would hold any booking agency responsible who failed to do so, and revoke his license.

### EMPLOYMENT AGENCIES.

The employment agencies have been brought under absolute control by the bureau. Every agency must

## *Work of Bureau of Labor Statistics.*

be licensed by the commissioner before it can start operations. The bureau prepared, and succeeded in having passed, the most stringent law for the regulation of employment agencies to be found in any state. When a person is sent out to a job the work must be as represented, or the agency is obliged to refund the fees paid and the expenses incurred by the applicant. If this is not done the license of the agency may be revoked by the commissioner. During the two and one-half fiscal years ending December 31, 1913, over 1400 complaints against employment agencies were filed with the bureau and an amount in excess of \$4200.00 was ordered returned to the men and women who had suffered loss through misrepresentation on the part of the agencies. A typical case is one in which thirty men were shipped out by a San Francisco agency to work as laborers on the railroad near Wadsworth, Nevada. The men arrived at their destination about ten o'clock at night and were obliged to walk about three miles through a storm to their place of work. When they arrived at the camp there were no accommodations and they were obliged to sleep on the floor of a barroom. The bureau took up the case immediately and as a result of its action the railroad company issued passes to return the men to San Francisco, and the construction company paid to each of the men \$10.00 for their loss of time. In another instance, about forty men were sent to the hop fields at Wheatland and upon arriving at their destination, found that they had been sent out about two weeks too early, as the

## *Work of Bureau of Labor Statistics.*

hops were not ready for picking. The bureau took up their case and ordered the employment agency to return to each man his fee and expenses, which amounted to \$9.35 each for those shipped from San Francisco, and \$6.30 for those shipped from Sacramento. The bureau has vigorously prosecuted every case of collusion between employment agencies and employers of labor and it has practically stamped out the practice of the employment agency dividing fees with the agents or superintendent of the employer. A notable example of this is the case of the People v. Colmer, instigated by the bureau. Colmer was the agent of a large construction company and entered into an agreement with several employment agencies in San Francisco whereby they were to pay him one-half of the fee collected from each laborer they sent to the construction camp. Colmer would meet the laborers at the station and take up the receipts which had been given them by the employment agency, but would only accept for work those who had paid large fees, rejecting those who had paid small fees, in order that his share might be as large as possible. The result was a constant succession of men being shipped out and employed but for a short period, in order that there might be a regular recurrence of fees to divide.

### SANITATION AND VENTILATION OF FACTORIES AND WORKSHOPS.

During the two and one-half fiscal years ending December 31, 1913, the agents of the bureau have inspected the sanitary condition of over 9500 estab-

## *Work of Bureau of Labor Statistics.*

lishments, and wherever places have been found in an unsanitary condition changes have been ordered. Ill ventilated basements have been condemned and their use as workshops prohibited. In one instance 18 girls were found working in the basement of a new building in which no provision had been made for the removal of foul air. Investigation showed that women had been sent home at the rate of one or two per day, because of illness resulting from the poor ventilation. The basement was condemned by the bureau and the owner obliged to install an extensive blower system. Blowers have been ordered installed—by the bureau—in all places where dust, filaments or injurious gases are produced or generated. Special attention has been given to the sanitary condition in places where food products are handled. During the inspection of the canneries and packing houses in 1912, the agents of the bureau found many establishments in an unsanitary condition. The owners were given notice to clean up their plants and to keep them clean. At a subsequent inspection of these plants by the bureau they were found thoroughly renovated. The bureau has required the installation of a sufficient number of toilets and lavatories, which must be separate for each sex, properly designated, and the use by the opposite sex forbidden. The health and general welfare of the men and women employed in the various industries of the state has been given most careful attention.

## *Work of Bureau of Labor Statistics.*

### SANITATION OF LABOR CAMPS.

During a visit of the commissioner to the railroad construction camps in the northern part of the state, he was impressed with the unsanitary condition surrounding the camps in which laborers were housed, and with the total disregard of the employers for the health and comfort of their employees. Men were found sleeping on hard bunks, in open tents, with three feet of snow on the ground, the employer not even furnishing straw for bedding. In the past, little or no attention has been paid to the men hidden away in the mountains and forests, building our railroads, our irrigation systems and power plants and cutting our timber. They have often been treated as so many cattle. The camps provided for them were makeshifts, unclean and unsanitary, with practically no accommodations. The bureau prepared a bill, which has become a law, providing for the sanitation of camps. Agents of the bureau were then sent into the field to make a thorough inspection of the camps, including the sanitation, ventilation, the water supply, food supply, and the care of the sick and injured. The bureau has instructed the companies operating these camps to place them in sanitary condition and to provide proper accommodations for the men. The bureau has ordered the installation of steel or other sanitary bunks in place of the old, filthy, wooden kind, and forty-three companies have already complied. For the first time in the history of this state, the welfare of the common laborer who toils in the isolated parts has been considered.

## *Work of Bureau of Labor Statistics.*

### **ALASKA SALMON CANNERY EMPLOYEES.**

The hiring and paying off of the men employed as laborers in the salmon canneries of Alaska has, in the past, involved some of the worse abuses perpetrated on the laboring man. After a thorough investigation of these abuses, the bureau prepared a bill which became a law, providing for the manner of payment of wages earned in seasonal labor. This law provides that the wages earned in seasonal labor shall be paid in the presence of the commissioner or an examiner appointed by him. Upon the return of the men from Alaska in September of last year, the bureau took the matter in hand and had as many as six examiners at one time supervising the paying off of these cannery hands. *In years gone by the average amount paid to these men upon their return to San Francisco was below \$50.00, and in some cases little or nothing. Last year under supervision by this bureau, the average amount paid to each man was over \$100.00, or double what was formerly received.* The bureau has also succeeded in obtaining better food and conditions for these men, and has refused to permit deductions for gambling or liquor, or to permit exorbitant charges for merchandise or food. In past years the money due these men rarely reached their hands, but was taken up by "sharks" who hung around the place where the men were paid off. This year, the bureau insisted that the money due the men be paid directly to them. Up to the present time the examiners of the bureau have supervised the payment of over one-half million dollars in wages.

## *Work of Bureau of Labor Statistics.*

Two contractors were prosecuted for refusal to abide by the rulings of the commissioner respecting deductions from wages. The bureau has refused to allow the companies to charge the men \$5.00 each, which money was supposed to pay a watchman to watch the men themselves so that they could not get away before the ship sailed. The bureau succeeded in obtaining an agreement with the Alaska Packers' Association under the terms of which the men were not allowed to run store bills in excess of \$20.00 during the season, so as to insure the men's receiving at least \$100.00 upon their arrival in San Francisco. In past years over 4000 men have been dumped into San Francisco during the month of September, who after working in Alaska for five or six months, had hardly a penny to their names.

### **SCHEMES TO DEFRAUD LABOR.**

The bureau has undertaken the prosecution of all cases involving schemes to defraud labor, such as the fictitious trade schools or profit sharing companies, whose sole purpose is to obtain the work and money of the laborer and give nothing in return. One of the largest schemes coming to the attention of the bureau led to the action of the People v. Hickey & Meadows. The facts are as follows: On May 1, 1912, the attention of the bureau was called to an agent who was hiring men to perform labor for an electric light and power company at the rate of \$2 per day, whereas the prevailing rate of wages at that time for that class of labor was \$1.75. Circulars had been printed in the Greek language and distributed

## *Work of Bureau of Labor Statistics.*

widely, and hundreds of Greek laborers were leaving their work on railroad construction, where they were receiving \$1.75 per day, to apply for this work. The bureau obtained the services of a Greek laborer, and gave him \$2.50 with which to apply for a position. When he handed the fee to the employment agent, our special agent stepped in and demanded that the agent show his license to conduct an employment agency. He produced a small typewritten sheet which he claimed was his license. This sheet bore a memorandum of the number of a license that had expired on March 31st of that year. When questioned he stated that he had paid \$60 for the license and then refused to make any further admissions. He was immediately placed under arrest and charged with conducting an employment agency without first obtaining a license. The bureau, however, realized at this time that there was something deeper involved in this case, and requested the court to raise the bail high enough so that we could hold this agent and get at the real culprits. It was first ascertained that there was no such company in existence as the one the men were being hired for, and there was no work whatever for them. When the agent was confronted with these facts, he made known all his dealings in the matter and it developed that he, himself, had been made a victim and had parted with over \$500.00. The bureau then obtained warrants for the arrest of the two men who had concocted the scheme. These two men were very prominent in San Francisco, and every influence, both political and

## *Work of Bureau of Labor Statistics.*

personal, was brought to bear in their behalf, but to no avail. The bureau procured the services of Mr. D. M. Duffy as special prosecutor, and after a protracted trial in the police courts, they were held for trial in the superior court. The trial disclosed that these two men had drawn up a fictitious contract with a fictitious corporation in which they were authorized to employ 3000 Greek laborers. They showed this contract to the agent and instructed him to go out and hire the men. The agent was told to collect \$2.50 from each man he hired and turn the money over to the two defendants. In consideration for his work he was to receive \$500 and the job of general foreman over the laborers. The agent knew that a license was necessary and told the defendants that he must have one. The defendants agreed to obtain one for him and he gave them \$60 for the purpose. In place of securing a license for him they went to an empty store that had formerly been an employment agency and copied the number and name of the license and handed him this memorandum in lieu of a license. On November 20, 1912, the defendants were found guilty of obtaining money under false pretenses and sentenced to three years' imprisonment in the state penitentiary. Fortunately this scheme had been nipped in the bud, but even though it had only been in operation one day, 148 laborers had been fleeced out of \$2.50 each. If the bureau had not taken such immediate action 3000 laborers would have been mulcted out of \$2.50 each, or a total of \$7500, and—still worse—would have quit their jobs and rushed to

## *Work of Bureau of Labor Statistics.*

San Francisco to get the increased pay that was offered.

### WAGES.

The largest task undertaken by the bureau has been the settlement of claims for wages. This task was self-imposed and was undertaken when it was shown that thousands of persons were being deprived of their earnings, owing to their inability to invoke the law in their behalf. The bureau has wiped out the pay check evil as it formerly existed in this state. To-day every man and woman employed must be paid in coin or negotiable paper, payable upon demand without discount at some bank or other established place of business. No longer may employers pay off in time checks, payable in one or two, or sometimes six months; or discount their own checks for ten or twenty per cent. when cash is desired, or compel men to cash their pay checks in saloons owned or controlled by the employer. The firms that were most notorious for these practices, to-day pay their employees full wages regularly.

The wage collection agencies have been practically driven out of business, and when men and women have wages due them they get the entire amount, not ten or twenty per cent. of it, as was formerly the case. During the incumbency of the present commissioner and up to December 31, 1913, 8277 claims for wages had been filed in the bureau and investigated. The bureau succeeded in obtaining settlements in 5164 cases and in collecting \$91,812.04.

## *Work of Bureau of Labor Statistics.*

The investigation of wage claims has brought to light some very interesting facts concerning the abuses practiced upon helpless or ignorant workingmen and workingwomen. One particular case is cited to show the attitude of some employers. A young girl was employed as a domestic in a private family. The girl was discharged at the end of three weeks and was refused payment of her wages. Her employer was cited to the office of the bureau and stated that he refused to pay her because his wife had caught the girl eating an egg for breakfast and eggs were too expensive for servant girls.

The questions concerning wages are often very involved and have many angles. For example: Laborers were being sent to work at the reservoir site at Big Creek, under promise that their railroad fare would be refunded if they remained for one month. The work was closed down and thirty men who had been hired within the previous month were deprived of the opportunity of completing their month's work in order to have their fare refunded. The bureau took up this case and secured the refund of \$10.80 for each man.

The matter of hospitals and hospital fees is intimately related to wages, as the hospital fee is regularly deducted from the pay check. Many complaints have been made against practices in vogue by some companies. A typical case is one which occurred recently in which a man who had been working for a lumber company for many years and paying \$1.00 per month for hospital fees, was taken

## *Work of Bureau of Labor Statistics.*

sick. The company's doctor treated his case for a short time and then recommended that he be transferred to a private hospital. This was done, and a short time after, the man died and his widow was compelled to pay the hospital \$94.00. The matter was taken up by the bureau and the lumber company reimbursed the widow the \$94.00 she had expended.

### INVESTIGATION AND REPORTS.

The bureau has made extensive investigations in hours of labor, wages and general conditions of labor, throughout the state. The results of these investigations are contained in the various reports issued by the bureau, among which are the special report on work of the bureau, 1911; labor laws of California; special report on labor conditions in canning industry; and the fifteenth biennial report, a volume of 668 pages, being the largest report ever published by the bureau.

### RECORD OF COMPLAINTS FILED IN THE BUREAU AND INVESTIGATED DURING THE PERIOD BEGINNING JULY 1, 1911, AND ENDING DECEMBER 31, 1913.

<i>Violations of laws pertaining to</i>	<i>Number.</i>
Non-payment of wages.....	8267
Eight-hour law for women.....	1364
Employment agencies .....	1521
Child labor .....	360
Blowers .....	104
Sanitation .....	205
Scaffolding, flooring, etc.....	83
Weekly day of rest.....	120

## *Work of Bureau of Labor Statistics.*

Public works .....	52
Ten hours for drug clerks.....	11
Seats for females.....	20
Miscellaneous .....	146
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Total .....	12,253

### PROSECUTIONS CONDUCTED BY THE BUREAU DURING THE PERIOD BEGINNING JULY 1, 1911, AND ENDING DECEMBER 31, 1913.

<i>Violation of</i>	<i>Number of cases.</i>
Blower law .....	4
Child labor law.....	72
Eight-hour law for women.....	135
Eight-hour law on public works.....	1
Eight-hour law for underground work.....	2
Employment agencies—advance fees.....	5
Employment agencies—licensing .....	21
Misrepresentation as to strikes.....	4
Payment of wage law.....	49
Pay check law.....	7
Scaffolding, flooring, etc., law.....	14
Ten-hour law for drug clerks.....	4
Unlawful use of union card.....	1
Weekly day of rest law.....	11
Vending at night law.....	43
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Total .....	373

## LEGISLATION FOR LABOR IN THE PAST THREE YEARS.

In pursuance of its program of social legislation and reform the progressive administration has, of course, done much to improve the conditions of the rank and file of industry. Among the conspicuous provisions for the benefit of labor may be listed the following:

### COMPENSATION.

Employers' liability act, enacted in 1911, and now superseded by the workman's compensation insurance and safety act, enacted in 1913. Industrial accident board created.

Paul Scharrenberg, legislative agent of organized labor, in his report on the work of the legislature of 1913, referring to the workmen's compensation, insurance and safety act, said:

"The labor press and labor organizations are particularly urged to explain and defend this act to the working people of this state in the face of the campaign of misrepresentation and malevolent abuse waged against it ceaselessly by those whose sole aim and purpose is to retain the barbaric laws of the last century imposing upon the workers themselves the entire burden and cost of industrial accident."

### WAGE PAYMENTS.

Act providing whenever an employer discharges an employee the wages earned and unpaid shall be payable immediately, and that when an employee resigns the wages earned and unpaid shall be payable within five days. This act stopped the pay check graft.

## *Legislation for Labor.*

Provided that no employer shall withhold wages for any regular employment longer than fifteen days after they become due.

### TRAIN CREW STATUTES.

Act providing that conductors, engineers, firemen, brakemen, train dispatchers and telegraph operators shall not be permitted to be on duty for more than sixteen hours consecutively, excepting in such emergencies as wrecks.

Full train crew act, prohibiting railroads from operating with short or untrained crews.

### SAFETY OF WORKMEN.

An act providing for temporary floors in buildings in course of construction, to protect the workmen from falling between the joists, and from falling bricks, planks, tools, etc.

Also, an act requiring that hoists on buildings during construction shall have a system of signals for operation and control.

An act requiring a safety rail on scaffolding suspended from an overhead support.

### BLACKLISTING.

Blacklisting of employees prohibited.

### EMPLOYMENT AGENCIES.

Statute regulating employment agencies, placing them under jurisdiction of the bureau of labor statistics, and prescribing regulations designed to prevent the wrongs and frauds that had been practiced upon laborers by some employment agencies.

## *Legislation for Labor.*

### FIRST AID CHESTS.

Factories and shops required to keep free, for use of employees, a medical and surgical chest with various first aid remedies.

### STATISTICS.

An act to provide for the registration of mills, shops and other manufacturing establishments, and other statutes for the collection of valuable labor statistics.

### CHILD LABOR.

A complete and enlightened system of child labor laws, more fully described in the list of legislation affecting women and children.

### EIGHT HOURS FOR WOMEN.

The eight-hour law for women, and the amendment applying the law to student nurses in hospitals.

### EIGHT HOURS FOR MINERS.

An act prescribing an eight-hour day for men engaged in underground work in mines or tunnels, or in smelters for the reduction or refining of ores.

### WAGES FOR SEASONAL LABOR.

Act requiring that wages earned in seasonal labor be paid in the presence of the commissioner of the bureau of labor statistics or an examiner appointed by him, and giving him jurisdiction to decide all disputes arising from wages earned in seasonal labor, and providing for the rejection of all deductions made for gambling debts incurred by the employee, and for liquor sold to the employee. This act is designed to break up the practice of cheating the men out of their season's earnings.

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### ADVERTISING FOR STRIKEBREAKERS.

Act requiring employers, advertising or soliciting for men to take the place of striking employees, to plainly and explicitly mention in such advertisements or solicitations, that a strike, lockout or other labor disturbance exists.

### CIVIL SERVICE.

Act establishing civil service throughout the state government.

Act permitting the employees of the Mare Island navy yard to use their own boat to cross over from the navy yard to the city of Vallejo, a procedure in which they had been restrained by order of court.

### ALIEN LAND BILL.

The alien land bill, prohibiting the owning of land by persons ineligible to citizenship but saving all the treaty rights of such persons.

### UNION LABEL.

Act prohibiting manufacturers and merchants from misrepresenting the kind or character of labor employed in the production of articles manufactured or sold, the effect being to prevent non-union manufacturers from advertising their goods as union made.

### SEAMEN MADE FREE.

Act repealing the law which made it a misdemeanor to entice a seaman to desert his vessel. Thus the progressive administration placed the seaman upon an equality with other laborers, in so far as the state law can effect that purpose. The sailors' union had been trying for a number of years to have that obnoxious

## *Legislation for Labor.*

and tyrannical statute repealed. In 1907 and 1909 the measure was passed by both houses and vetoed by the then governor. Governor Johnson immediately signed the bill repealing the tyrannical law.

John I. Nolan, legislative agent for organized labor in the 1911 session of the legislature, said in his report on the work of that legislature:

"The labor representatives of the thirty-ninth session of the California legislature were successful for many reasons.

"In the first place, Governor Johnson was ready and willing at all times to listen to your representatives. We were accorded every courtesy both by the governor and his office that it was possible to receive, and labor, both organized and unorganized, is fortunate in having in the governor's chair of this state a man who is in sympathy with our wants and our needs.

"Governor Johnson's sympathy for the working people of the state of California was made known in many ways to the representatives of the people in both houses, and was, in no slight degree, responsible at times for the passage of many acts in the interests of the working people.

"I want to say, in passing, that it is the unanimous opinion of all the representatives of labor at Sacramento, that we have in Governor Johnson a man from whom labor, both organized and unorganized, can, at all times, expect a square deal.

"The present governor of this state is entitled to and should receive *the unanimous support without any exception of the entire labor movement of the state of California*, and it is to be hoped that labor, when the time comes, will show that they appreciate the square deal accorded to them at the hands of Governor Johnson."

## LEGISLATION FOR THE BENEFIT OF WOMEN AND CHILDREN.

THE PROGRESSIVE ADMINISTRATION IN CALIFORNIA HAS DONE NOTABLE WORK FOR WOMEN AND CHILDREN.

Among the items are:

### EQUAL SUFFRAGE.

1. The *equal suffrage* amendment to the constitution was submitted to the people as a result of which women obtained the right to vote in California. This, of course, was one of the most important acts of the administration.

### CHILD LABOR.

2. *Various child labor laws*, providing among other things that no minor under 18 years of age shall be employed between 10 p. m. and 5 a. m.; no child under 14 years shall be employed in any occupation, excepting that a judge of the superior court may permit a child over 12 years to work in case the child's parents are incapacitated through illness, and except also that a child over 12 years may be employed during the school vacation. The law further provides that no minor under 16 years of age shall be employed during school hours unless he can read English at sight and can write intelligibly and correctly simple English sentences or is a regular attendant in a night school. No minor under 18 shall be employed more than 8 hours in one day.

These child labor laws enacted by the progressive legislatures of 1911 and 1913 constitute a most

## *Legislation for Women and Children.*

enlightened scheme of child labor legislation, and place California in the forefront of states that have protected the child against exploitation.

There is practically no child labor in California.

### **PROBATION FOR MINORS, ETC.**

3. The progressive legislatures of 1911 and 1913 also enacted statutes improving the juvenile court law, establishing a system of probation for the inmates of the Whittier state school and the Preston school of industry, providing for detention homes for children, separating and distinguishing between dependent and delinquent children, and providing for the punishment of those responsible for or contributing to the dependency or delinquency of children.

### **EIGHT-HOUR LAW FOR WOMEN.**

4. *The eight-hour law for women*, prohibiting the employment of females in manufacturing, mechanical or mercantile establishments, restaurants or laundries, etc., more than eight hours a day, and requiring that suitable seats shall be provided for use when such employees are not engaged in active duties. This law was originally enacted in 1911 and signed by Governor Johnson in the face of violent opposition from those who predicted that it would ruin business. The arguments based upon the dollar were overcome by arguments based upon considerations of humanity. The operation of the law has proved most salutary, and has not ruined or injured business. The law has been diligently and uniformly enforced by the labor commissioner. It has

## *Legislation for Women and Children.*

brought about a great improvement in the conditions surrounding working-women. Upon signing the bill Governor Johnson issued the following statement:

"The bill prescribing an eight-hour day for women comes to me as an entirety. I must either accept it as a whole or reject it as a whole. I cannot modify or amend it. I have listened to oral arguments and have received many written arguments both for and against the measure. Independently, the question has been thoroughly investigated and I have before me the reports submitted upon legislation of this character not only in this country, but in France, Germany, Switzerland, and England. Beyond this, some investigation has been made by my office among those who will be most directly affected by the law. While a less drastic and more elastic measure might have been preferable, and while, personally, I might have desired that legislation upon the subject should be gradual, still the advantages of the present bill outweigh the disadvantages. Strong men, by unity of action, have obtained for themselves an eight-hour day. Shall we require greater hours of labor for our women? As long ago as 1872, it was enacted by section 3244 of the political code, that eight hours of labor should constitute a day's work, and it was likewise, by the following section, provided that eight hours' labor should constitute a legal day's work in all cases where the same was performed under the authority of the state, or of any municipal corporation within the state, and our law has gone to the extent of requiring that a stipulation to that effect must be made a part of all contracts in which the state or any municipal corporation is a party. The policy, therefore, of the law in this state, is of long standing, and while the sections quoted refer, of course, to public work, they established what has been the set policy of California for more than forty

## *Legislation for Women and Children.*

years, and that is that eight hours shall constitute a day's labor. The limitation of the hours of labor to eight is, therefore, by no means new, but that principle is firmly, and doubtless, irrevocably established in California.

"The argument against the eight-hour day for women is purely economic. It is asserted that it will work hardship upon various business enterprises, that these enterprises will have to close and that financial disaster will follow. This has been the argument ever advanced against legislation of this sort and even against legislation designed for the protection of the public generally, such as pure food laws. When the first shorter hour law was adopted in England, as long ago as 1837, Nassau William Senior, one of the leading political economists of his time, insisted that the reduction of hours of labor would eliminate profit and bring disaster upon employer and employee alike. The English employers then with the utmost vehemence protested. None of the ills they prophesied occurred. There are many of us who remember the child labor laws and how at the time of the enactment of the first of these laws in our state many of our reputable business men protested with earnestness and apparent sincerity, asserting that they could not compete with their rivals and that the enactment of such laws meant their ruin. The laws were enacted and business continued just the same. Pure food laws enacted for the benefit of the public, the protection of its health in another way than that sought in the present act, were for years resisted upon the theory of the outrage that would be done business by their enactment, and the great losses that would be entailed. The laws went into effect, and business continued just the same. Two years ago the legislature enacted a law limiting the hours of men working in mines in this state to eight

## *Legislation for Women and Children.*

(statutes 1909, page 279). Many mine owners appeared then and insisted that if the law went into effect they would have to close down their mines and that the industry upon which originally rested the fame and romance of California, would be utterly destroyed. The law went into effect and today the same mines are running with the same profit, and the same employees.

"The hours of labor of men, by the same act, in smelters and in other institutions for the refining of ores and metals, were limited to eight. The smelters still run, additional ones are being built, and the subject of smelting has become so important, even with men's hours limited to eight, that it has engrossed a considerable portion of the time of one of the houses of the legislature.

"The economic argument also fails because experience has shown that productivity will not be materially decreased under an eight-hour law. The report of the New York Bureau of Labor Statistics, 1900, states: 'Certain facts appear with distinctiveness, one of which is that the cotton industries of Massachusetts have not only grown steadily throughout the period of short hour legislation, but what is far more impressive, they made larger gains than are shown by adjacent states with less radical short hour laws.' This quotation is in line with the statements contained in many of the statistical reports that I have investigated.

"As indicating what experience has shown in our state, where shorter hours have been given women, I quote this telegram received by me in the early days of the discussion of the bill:

"'Highlands, Cal., January 30, 1911.

"'Governor Hiram W. Johnson,

"'Sacramento, Cal.

"'Am informed that Citrus Protective League

## *Legislation for Women and Children.*

opposes bill reducing hours of labor of women and children in packing houses. I earnestly recommend the passage of this bill. Two years ago the Highland Orange Growers' Association, at urgent request of women, voluntarily reduced hours of labor to save breakdown in health. Result excellent. Better work, better health, less absence. Long ago I personally reduced picking hours in the groves. I got better and more work in shorter hours. Hope you can see your way clear to support measure protecting women and children doing piece work in cold, unheated, barnlike packing houses. Claim absurd that industry will suffer by passage of this bill. Citrus industry will be greatly benefited by shorter hours. Women and children need this protection. This is not a labor union movement alone but a humanity movement. Protection league has not referred the matter to packing houses and the opposition of the league does not voice the wish of fruit growers of great Highland district where hours have been voluntarily shortened. If you approve will you show this message to Senator Avey and Assemblyman Bennink. Publish if you wish.

““(Signed) ALEXIS FRYE.”

“After the receipt of this dispatch, I received one from the Highland Orange Growers' Association endorsing all that Mr. Frye had wired me.

“The eight-hour law for women is admittedly right in principle; it is the exemplification of humanitarianism; its beneficent purpose has long since attached to men. It may in some rare instances work hardship, but in these instances we may hereafter, as experience demonstrates the necessity, provide a remedy, and I shall not hesitate in the future, if the necessity becomes apparent, to ask any proper amendment. I do not

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believe the law will result in great disaster, financial or otherwise. I think that business conditions will adjust themselves to the law, exactly as business conditions have in the past adjusted themselves, in every instance, to remedial legislation of this character. The purpose of the act, I believe, is just, and I have therefore attached my signature to the bill."

### EIGHT HOURS FOR STUDENT NURSES.

The legislature of 1913 improved the law by extending its provisions to other lines of industry than those enumerated in the original law, including especially hospitals. The amendment was aimed directly to prevent the exploitation of student nurses in hospitals. Strong opposition to this amendment developed at the legislature, but the progressive administration, giving more weight to the health and welfare of the student nurses than to the pecuniary advantage of the hospitals, enacted the amendment. The amendment does not apply to graduate nurses, working for themselves. It applies, so far as it affects hospitals, only to pupil nurses, who receive extremely small wages, approximately \$5 per month, for very hard and very important work, and for whose services many of the hospitals charged their patients at the rate of \$20 per week.

### AGE OF CONSENT.

5. Age of consent raised from 16 to 18 years.
6. Men in abandonment cases may be compelled to work on the roads and the proceeds devoted to the care of wives or children.

## *Legislation for Women and Children.*

7. Establishment of industrial welfare commission, which will investigate the working conditions of women and after due inquiry, fix a minimum wage for women.

### OLD AGE INSURANCE AND MOTHERS' PENSIONS.

8. Commission created to investigate and report concerning the adoption of system of *old age insurance* and pensions and *mothers' pensions*. Meanwhile, pending the gathering of the required data for the enactment of a complete old age and mothers' pension statute, provision was made to aid widowed mothers who maintained a child or children at home.

### OTHER ITEMS.

9. The *father* as well as the mother of an illegitimate child was made liable for its support and education.

10. The *California School for Girls*, to which the girl inmates of Whittier will be transferred, was established.

11. The mother was given equal right with the father of a legitimate minor unmarried child to its custody, services and earnings. The law formerly gave the father a preference over the mother.

12. A section was added to the civil code providing that no assignment of wages or salary of a married man shall be valid unless the written consent of the wife is attached to such assignment, and that no assignment of the salary or wages of

## *Legislation for Women and Children.*

a minor shall be valid unless the written consent of a parent or guardian of the minor is attached to the order. The purpose of this law is to prevent the grave injustice done to wives by husbands who assign their salaries from month to month to money-lenders, at usurious discounts.

## PRISONS AND REFORM SCHOOLS UNDER THE PROGRESSIVE ADMINISTRATION.

### HOW THE CALIFORNIA PENITENTIARIES AND REFORM- ATORIES HAVE BEEN MODERNIZED.

A very important part of the social work accomplished by the progressive administration has been a notable improvement in the penitentiaries and reform schools and in the treatment of men condemned as criminals. The administration of the two penitentiaries in this state is now as enlightened as that of any prison in the world. Not only are physical conditions improved in the prisons, but the whole spirit of the government toward prisoners has changed.

#### PRISONERS' EMPLOYMENT.

Prior to 1911, the convicts at San Quentin had been employed in the jute mill, and the convicts at Folsom in the rock quarry. In neither place did they learn any trade that could benefit them after their release. The state prisons meanwhile were being maintained at an expense of one-half million dollars per year, paid by the taxpayers. With the active encouragement of Governor Johnson, a bill was enacted, the design of which was to enable the prisoners of the state prisons to manufacture such articles, materials, and supplies as may be needed for any public use by the state, or any county or municipality, or that may be used or required in any state or municipal institution, or school. Under the terms of the bill the work produced by the prisoners can never be brought into competition with free labor.

## *Prisons and Reform Schools.*

The prison directors, by authority of this law, have begun to manufacture furniture and other articles, and to teach trades to the prisoners. At San Quentin, the prisoners are making furniture, tinware, clothing and shoes. The furniture includes everything used in state hospitals, normal schools and in the various offices, boards and commissions. For the state institutions they manufacture tinware, such as is used in kitchens and dairy departments. Clothing and shoes are manufactured for the hospitals and the home for the feeble-minded.

At Folsom there were no accommodations for the establishment of workshops, and no money to erect a new building. The legislature of 1913, however, appropriated \$33,000 for the erection of a factory at Folsom, and the plans are now well under way. Governor Johnson recommended the prisoner's employment bill to the legislature of 1911 in a special message, in which he said:

### GOVERNOR JOHNSON'S MESSAGE.

"In the care and maintenance of convicts, the first problem that presents itself to the state is to furnish appropriate and rational employment, not only that prisoners may be kept from idleness, but that they may be taught during the period of their confinement useful trades, and may after the expiration of their terms be able to follow legitimate employment and to rehabilitate themselves. The most efficacious manner in which this humanitarian doctrine can be consummated is in regular hours of employment, in regular trades for those who are confined within the prisons, and by such regulations to provide the physical and mental activity necessary, and thus to afford the pos-

## *Prisons and Reform Schools.*

sibility, the hope, and the opportunity for ultimate regeneration.

"The other reason why the proposed measure will be advantageous is upon the financial side. If permission to manufacture and produce the articles mentioned be accorded, the state prisons in great measure will be self-supporting, and it is the hope of Warden Hoyle, based upon experience in other places,—and his hope seems to me justified,—that within a few years the state prisons of the state of California, under the plan suggested, will be wholly self-supporting, and will not require further aid of the government.

"The objection to the manufacture of articles in the state prisons comes generally, and justly, I think, from the free labor of the state. The purpose of the bill that has been introduced is to permit only those articles to be manufactured which are used by the state, the county, or the municipality, and does not permit their sale privately.

"The restrictions within the bill are such that prison labor shall not be brought in competition with free labor. The particular measure that has been introduced has been submitted to the San Francisco labor council, and has received the sanction of that body.

"It is presented to you, therefore, with a full knowledge and approval of labor within the state of California.

"The cost of maintaining the prisons of the state of California is, in round figures, something over half a million dollars per annum. If this cost can be met in any measure by the proposed plan, apparently it should commend itself to us all. Beyond this, if it meets the requirements first suggested, of furnishing the necessary activity physically and mentally to prisoners, and with the learning of useful trades or occupations will enable prisoners better to care for themselves after their release, an amply sufficient reason is presented for its passage. In order to carry out

## *Prisons and Reform Schools.*

the proposed scheme, no appropriation is asked from the legislature.

"Two acts are presented with the bill, which establish from the present earnings of the prison a fund which may be used in preparing for the manufacture and production of the articles named.

"I might add that the scheme proposed, and indeed the bill as drawn, is fashioned upon the law that is now in force in the state of New York, and which has worked so beneficially there."

### STRIPES ABOLISHED.

Striped uniforms have been abolished at San Quentin, and will be abolished at Folsom as soon as possible, except for prisoners of the worst class. At San Quentin prisoners have been divided into three classes. The prisoner on arrival goes into the second class, and is raised to the first class or reduced to the third class, according to his conduct. Only prisoners of the third class wear stripes.

Formerly, when a man was received at either of the penitentiaries he was measured and turned in with the other convicts. Now, at both San Quentin and Folsom, he is given a careful physical examination, and is assigned to work within his strength. The warden interviews him personally and learns what he can of his history and character. Medical specialists, in various lines, have been induced to visit the prisons, without compensation, and examine the men. If any special treatment or apparatus is required, it is supplied by the state, a thing that was never done before.

A dentist has been engaged, and the prisoners' teeth receive attention.

## *Prisons and Reform Schools.*

The food is looked after sharply and a better quality is furnished, and more of it.

### UNIVERSITY INSTRUCTION.

Not only are schools conducted at the penitentiaries, but the university of California has arranged correspondence courses for the men and an instructor is visiting the prison regularly. The courses are very well attended. Prisoners are encouraged to complain of any unfair treatment and the complaints are investigated, and if they are well founded steps are taken to do away with the cause of complaint. Prisoners with infectious diseases, who formerly slept and played with the rest of the men, are now segregated. Corporal punishment has been entirely abolished.

Paroles are given much more liberally than formerly. During the two years, 1912 and 1913, nearly as many men were paroled as had been paroled during the first nineteen years that the parole law was in operation.

At Folsom many needed improvements on the buildings have been made, although the work in that respect, by reason of the insufficiency of funds, is far from complete.

A ventilating system has been installed, which has made a great improvement in the cells. A steady stream of fresh air flows through each cell.

The bathhouse at Folsom formerly was a dilapidated shack. In a space of twenty feet square a few pierced pipes let water down on the men, and in this place, summer and winter alike, without regard to age or race, and sometimes with an inch of mud

## *Prisons and Reform Schools.*

on the floor, over a thousand men were expected to bathe. The progressive administration has provided a special appropriation of \$5000 and with this a concrete bathhouse was built on plans furnished by the state board of engineering. Now there is at Folsom a swimming tank and many showers. Tanks have been set apart for infectious skin and blood diseases, something that was never done before at that prison.

A new laundry has been built and equipped.

The prison farm has been greatly extended and the prisoners now raise all the hay necessary for the needs of the institution and will soon be raising enough produce to supply the prison mess. Plans are also under way for the raising of enough tobacco on the prison farms to supply the prisoners.

An appropriation has been made for a shop building and when that is completed the men at Folsom will have an opportunity as the men at San Quentin now have, to learn a useful trade.

The legislature appropriated \$35,000 for use by the state board of prison directors as may be required to assist paroled and discharged prisoners and secure employment for them.

### COMPENSATION FOR INNOCENT CONVICTS.

A new statute was enacted providing that persons imprisoned for felony who are proved to be innocent and shall have served the terms for which they were imprisoned may, under certain conditions, make claims against the state for damages not exceeding \$5000.

## *Prisons and Reform Schools.*

### EX-COMVICTS PROTECTED.

An act was passed making it unlawful for one person to communicate to another any statement concerning a person convicted of a felony who is on parole or finally discharged and which communication is made with the purpose and intent to deprive such person of employment or prevent him from procuring it. This was designed to prevent the hounding of ex-convicts.

A board of parole officers was provided for each county, consisting of the sheriff, district attorney, chief of police or other chief peace officer.

### THE REFORM SCHOOLS.

Formerly California's two reform schools,—one at Whittier in the south, and the other at Ione in the north, were conducted as junior penitentiaries.

The progressive administration has managed these institutions with a view to the reformation of the boys while young. The greatest care has been taken in the selection of fit men as superintendents and other officers, and the result has been a marvelous improvement in the discipline, the spirit, and the morality of the boys in the two schools. At the Preston school of industry at Ione, a junior republic has been founded and the boys govern themselves. They elect their own officers and administer their own punishments for breaches of the rules. The plan works with extraordinary success. Trades, as well as the elements of literary education, are taught to the boys, most of whom are in some way defective

## *Prisons and Reform Schools.*

and few of whom have had opportunities for education.

While the state maintains two reformatories for boys, there is no institution for girls, and wayward girls were sent to the boys' school at Whittier. The resulting condition was very far from satisfactory. The progressive legislature has appropriated \$200,000 for the foundation of a training school for girls, which will be managed exclusively by women, and will be located in Ventura county.

## THE NEW SYSTEM OF TAXATION.

THE STATE NOW HAS NOTHING TO DO WITH THE RATES FIXED BY COUNTIES.

Recently at Ukiah, a lawyer of standing and repute, but one who believed in the divinity of the old order, and has viewed the new with trepidation and fear, attacked the progressive administration because in his county the tax rate had increased; and to the extravagance of the state administration he charged the present high taxes of his county. The state controller, John S. Chambers, was present, and in surprise, mildly informed the learned jurist that since 1910 state and local taxation had been separated and that the state could no longer be held responsible for the tax rate in counties. The gentleman of the law, whose attack had been made in ignorance, subsided with some embarrassment. He was not, however, different from many others; for the charge has repeatedly been made in different counties that the state administration has increased the rate of taxation. Nothing could be further removed from the truth.

In 1910 the people adopted a constitutional amendment changing the mode of taxation in the state and separating state from local taxation. By the amendment, all the revenue of the state derived by taxation, comes from public service corporations, insurance companies, banks and franchises of corporations. No part of the revenue of the state comes from

## *New System of Taxation.*

the taxes levied in the counties. Formerly the state fixed its rates required for state purposes, the county did likewise and the state and county rates were then collected by the county and the part due the state remitted to it by the county. This is no longer so. The county collects only county rates. The state collects its taxes from the public service corporations. When a county, therefore, now has high taxes, it is due to the county government alone.

The constitutional amendment adopted by the people in 1910 was submitted to the people by the legislature preceding the first progressive legislature. The amendment was fathered and fostered and passed by the public service corporations and particularly the Southern Pacific Company. In itself it prescribed the rates that these corporations should pay, and provided that the rates could be changed only by a two-thirds vote of all the members of both houses of the legislature. Of course, it was supposed that the rates never could be changed and experience of past legislatures justified this belief. But the election of 1910 negatived the political wisdom of the previous thirty years, and destroyed all the future plans of the old political machine.

After the trial of the new method of levying taxes, it was found that the rates fixed in the constitutional amendment did not provide the revenue required by the state, and that these rates did not adequately tax certain of the public service corporations. To these facts, Governor Johnson in his biennial message in 1913 referred, and in a special message to the legis-

## *New System of Taxation.*

lature, transmitted the result of the investigations of the state board of equalization and in asking an increase of rates of the legislature said:

"The board finds the average tax rate in the state of California for all property except that of the withdrawn public service corporations is \$1.1386 upon each one hundred dollars of actual value. This means that the ordinary tax payer in the state pays this rate.

"The average rates of taxes paid by the several classes of the withdrawn public service corporations as determined upon the basis of a stock and bond valuation in accordance with the new tax scheme are:

"1. For railroads and street railways \$0.9092 upon \$100 of actual value of property.

"2. For gas and electric companies \$0.75.

"3. For telegraph and telephone companies \$0.9060.

"4. For car companies (Pullman company only) \$0.8813.

"5. For express companies (Wells Fargo & Co. only) \$1.5413.

"The situation therefore is obvious. Except in the single instance of the express company, which probably is not paying any greater sum in taxes than it ought, the ordinary taxpayer is paying proportionately 20 per cent. more than the public service corporations."

The message closed with the request to the legislature to "increase the rates of taxation of the withdrawn corporations to such a sum as shall compel them to pay their just proportion of taxes."

The legislature by practically unanimous vote, increased the rates.

## *New System of Taxation.*

*All the revenue of the state from taxation is derived from these rates on the public service corporations named.*

*County governments alone are responsible for the tax rate paid in the counties.*

## THE STATE BOARD OF CONTROL.

### HOW THE FINANCIAL SYSTEM OF THE STATE HAS BEEN REFORMED, WASTE ELIMINATED, ABUSES COR- RECTED, AND MONEY SAVED.

In California the people have tried two experiments in government. For twenty-five years the allied corporate interests of the state did the governing and the people paid the taxes. During the last three years the people have tried the experiment of governing themselves and letting the corporations pay the taxes for state government.

For twenty-five years in California the political bureau of the Southern Pacific Railroad Company was the recognized supreme governmental agency in California. In that political bureau nominations for public office and elections were determined, the electors on election day engaging principally in sham battles to determine which of the railroad men should get the offices. In that political bureau the awarding of state contracts was determined and the business was placed where it did the most good politically. The sole interest which the people at large took in the government was evinced when they were paying their taxes.

By a queer coincidence the method of taxation in California was changed just at the time that the people through the operation of the direct primary law decided to take the management of their government back to themselves. By this

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strange political revolution those who formerly occupied the position of governing while the people paid the cost were relegated to the position of paying the cost while the people governed.

Now that the people within the next year are to determine for themselves which method of government they prefer, it is entirely fitting that the results of both systems should be subjected to the most searching inquiry. It is essential that every citizen of California should know how the state's business was formerly conducted and how it has been conducted under the new order of things.

### THE PROBLEM.

When Governor Johnson assumed office after having been nominated and elected by the direct vote of the people he faced many problems, and among these was the task of bringing about some kind of business system in the conduct of the forty-three state departments and twenty-three state institutions. The carrying on of these institutions and departments in a business-like manner presented a problem identical with the administration of the affairs of a gigantic corporation engaged in commercial pursuits. After having surveyed conditions the state's chief executive decided that there was no reason why the business of the state of California could not be carried on as efficiently and honestly as the business of any corporation of like magnitude. He determined to install in the state government a body which would have over the business and financial affairs of the

## *State Board of Control.*

state a power identical with that exercised by the general management of a private corporation. He had the legislature create the state board of control.

The state board of control took office June 2, 1911, vested with practically plenary power over the business and financial affairs of the state. This investiture carried with it the necessary means to carry on investigations, to wipe out any vicious practices which might exist, and in their place install a thoroughly modern business system down to the last detail.

It is elementary that the board of control would have wasted its time had it endeavored to build up a modern business-like system in the departments and institutions until it found out what conditions prevailed in these departments and institutions. The board found it necessary to conduct a number of investigations. While these investigations exposed vast frauds and were essential to a proper laying out of the work, they were merely incidental and were not in any sense an ultimate object of the board. The big and main work of the board was to systematize the business of the state of California in such a way that after a reasonable time it could challenge comparison of the state's system with the system in vogue in those great corporations that are models of modern commercial enterprise.

These investigations, however, are of the greatest value for in their record is the record of how the people of California were shamelessly defrauded while they paid the bill. The record of

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those investigations containing the confessions of theft upon the part of men who had been honored for years by the people of the state should stand as an everlasting protest against public apathy and corrupt political domination. The facts disclosed in these investigations must prove conclusively to any intelligent person that the price of decent government is eternal vigilance on the part of the electorate.

The crimes committed under the old regime are chargeable to those who dominated the state's political affairs because those crimes could not have been committed had ordinary business precaution been taken to prevent them. For the exposure of the conditions which existed, the evils which were corrected, and the modern business system supplanting the old method of loot, the board of control claims credit on behalf of the first chief executive chosen directly by the people of California.

Because of the thousands of details entering into the subject and so as not to confuse persons unfamiliar with governmental business it is deemed advisable to present first, a general statement of the conditions disclosed by the investigations of the board of control and a brief detailed statement of some of the investigations illustrating each general condition. Then, it is proposed to show what have been the results of the investigations in general with a brief detailed statement of those methods which have been installed to insure proper business organization, efficiency and economy.

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Finally, it is proposed to institute a comparison of the costs of the two systems. With this information the electorate can easily decide as to which system of government it prefers.

### RESULTS OF INVESTIGATIONS.

The investigations of the state board of control disclosed the following facts: That during the twenty years preceding 1910, \$200,000,000 of the taxpayers' money was expended on the state institutions and departments without an audit, the result being that no human being can tell what became of the money; that the state law governing the awarding of contracts was frequently ignored; that the big majority of reputable business houses would not do business with the state; that rings of contractors had control of many state departments and institutions and practically dictated the expenditure of millions of dollars; that officials occupying positions of trust were stealing from the state and co-operating with corrupt contractors in carrying on frauds against the commonwealth; that the state was being systematically defrauded by the delivery of inferior materials of every character, including unfit food for the inmates of its institutions; that many of the state records had been destroyed to cover discrepancies; that there was no proper system of accounting; that appropriations were made each two years on a log-rolling and political basis without any knowledge of the comparative needs of institutions and departments; that these appropriations

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were subsequently spent without any supervision, the state board of examiners, the supposed auditing body, not having met for a period of four years

It is distinctly not stated that every state institution and department was in charge of corrupt men. Any statement to the effect that all were corrupt would be absolutely untrue. Many officials in the service of the state endeavored honestly and with ability to fight against the abuses that existed, but no matter how efficiently they endeavored to conduct their particular institution they found themselves at the mercy of the political system which prevailed. The number of those institutions and departments which were corruptly conducted was startlingly large. The number which were inefficiently conducted was still larger. The number that were efficiently and honestly conducted was painfully small, but formed a decidedly happy contrast.

### STATE PRINTING OFFICE.

Perhaps in no other single instance were the people of the state so systematically defrauded and so directly robbed as they were through the agency of the state printing office as it was conducted. The state printing office stood as a monument to the old method of carrying on state business, and within its operations included practically every governmental vice that has ever been invented. The facts here stated concerning the state printing office were proved by witnesses under oath

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in a legislative investigation, in which the board of control presented the evidence.

The campaign expenses of the state printer were paid by four business firms. These four business firms had a monopoly on the enormous business of furnishing the state printing office with supplies which were used in the manufacture of text-books for California's children and in the manufacture of all books and stationery used by the state institutions and departments. No other business firm could get a contract to supply the printing office, these four firms having had a monopoly for fifteen years.

In one order of text-book paper furnished by one of these firms, amounting to \$62,000, the amount of dishonest profit was \$21,000. The bill was disallowed by the board of control, and the same identical paper was subsequently bought for less than \$41,000.

Another of these firms had stocked up the state warehouse with bindery supplies and submitted bills for \$21,000. The goods were marked "finest quality" and were charged for at the highest prices. Experts declared the goods to be of third quality and the prices "extortionate." The board of control disallowed the bill and forced the removal of all the supplies from the state warehouse.

Two ink manufacturers divided the ink business. They had had it for fifteen years and had been charging \$2.50 per pound for their product. The board of control rejected their bills and bought the same quality of ink for 30 cents per pound.

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Approximately twenty employees of the state printing office were carried for political reasons, the amount of work they did being negligible. Several poor women whose husbands had been killed running their trains on the Southern Pacific railroad as engineers, through the kindness of its political bureau were put on the state pay-roll so as to support their children. Other employees were carried on the pay-roll at the request of prominent politicians.

There was no cost system in the printing establishment, and the prices of text-books, as well as of all other work, were fixed on a guess by the state printer.

These details will illustrate the conditions which existed. The mothers and fathers of California paid for it every time they bought a school book. The price of each particular school book which the parent purchased was approximately just twice what it should be.

The state printer resigned under fire; the ring of contractors was broken up and its members had to take their stuff away from the state's warehouse; an expert was brought to Sacramento under contract to put into the plant the most modern cost system that could be devised; all reputable firms were invited to bid for the state's business, and as the result of honest competition the above-mentioned low prices were secured; a new state printer was appointed; he discharged all useless employees and hired only competent help; the plant was put upon a thorough business basis and the

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result was the reduction within six months of the price of every text-book an average of 42 per cent. The state text-book fund which had been mortgaged in the sum of \$56,000 for the benefit of the contracting ring, within a year showed a credit balance of \$162,000 in spite of the fact that the prices of text-books had been cut practically in half. The cost of printing for the departments and institutions which had been done at outrageous prices is now done for less than any commercial concern can do the same work, the state having no rent or profit to charge for in its prices.

The facts regarding the state printing office aptly illustrate the ridiculous character of a system under which so many abuses could flourish for fifteen years. These facts also show how a department created for the benefit of the people of the state was turned into an agency to rob them. Let us next consider what happened in some of the institutions which were founded to care for the unfortunate insane.

### NAPA STATE HOSPITAL.

At the Napa state hospital insanity was apparently considered an offense and the patients were looked upon as a necessary nuisance.

The medical superintendent confessed that he had been delinquent in connection with the purchase of hay for the institution and paid the money back. The medical superintendent in addition to a twenty-two room mansion on the main driveway had built for his personal use a beautiful bunga-

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low on the shores of the state reservoir, while hundreds of patients slept on the floors and in garrets that were foul-smelling and a menace to health. While the finest quality of food was paid for by the state, that which was furnished to the medical superintendent complied with the specifications, but that which was furnished to the patients was inferior in quality and often unfit for consumption. Two of the contractors, admitted under oath that they had never made a single shipment that complied with the specifications. The steward of the hospital admitted that he knew nothing concerning the deliveries or books of the institution, and that he had simply enjoyed the position as a political appointment. A foreman plumber admitted padding the state payroll and charging the state commissions on all purchases he made as foreman plumber. Several head attendants admitted under oath a system of peonage under which they had worked patients for several years on ranches and at other tasks, paying them nothing. The condition of the beautiful buildings which had been constructed at an enormous cost to the state showed that they had been allowed to deteriorate through criminal negligence. While the superintendent's residence was the social center of the community the conditions under which the patients lived were shameful.

The medical superintendent was discharged from the state's employ after paying back the money he had wrongfully taken; the other state employees who had been engaged in like activities were discharged; graft, waste and extravagance were eliminated; the dishonest contractors were barred from further par-

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ticipation in the state's business; a new medical superintendent of the highest ability was placed in charge of the institution and he took up the work of transforming the institution so as to carry out the purpose for which it was founded—the care of the unfortunate insane. The project of providing sanitary and decent quarters for hundreds of insane who had been huddled in garrets and on floors has been carried out at a huge cost; and the task of rehabilitating the structures which had been allowed to deteriorate is being carried out with a liberal expenditure.

The systematizing of the institution will be discussed in connection with the constructive work of the board of control.

### SOUTHERN CALIFORNIA HOSPITAL.

In the Southern California hospital it was found that the steward was engaged in petty graft, while the medical superintendent was using the institution to supplement his own income.

### FOLSOM PRISON.

In the state prison at Folsom the cream from the state's farm was being made into butter by the state's convicts and the butter was then sold to the state at the prevailing market quotations.

### BOARD OF MEDICAL EXAMINERS.

In the state board of medical examiners it was found that the secretary, a physician who had held his position of trust for twelve years, had taken

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\$1300 of the state's money. He was required to pay it back and was discharged.

### BOARD OF EXAMINERS IN OPTOMETRY.

In the state board of examiners in optometry it was found that members had paid themselves three days' fees for one day's work every time they met. They also gave banquets at the state's expense and one of the members frequently without authorization loaned himself as much as \$1200 of the state's money. The members were required to refund \$2,570.60 and were dismissed from the state's service.

In the department of engineering it was found that an employee in charge of construction at San Quentin was one of the owners of a barge company hauling sand and rock to the state's property. He did the measuring and kept the accounts for both the state and the company. He also owned a commissary store at a quarry where paroled convicts under his charge did the work. The state and paroled prisoners suffered financially by the arrangement. The engineering department employee was required to refund the money and was discharged.

In the state mining bureau, state board of health, other institutions and other departments, irregularities and discrepancies were found and those responsible were held accountable for the conditions.

There was not and never has been on the part of the board of control any disposition to hold up to public condemnation those officers or those institutions in which there has been a lack of efficiency due to the system and not to criminality. There was no

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business system in vogue and it would have been grossly unfair to condemn those who had done the best they could. Hundreds of instances of improper business methods have been corrected by the board of control without comment and in each particular institution and department new methods have been installed without friction.

Having thus far considered some of the methods which prevailed under former régimes, it is the purpose to point out what was done to prevent a recurrence of these abuses. The instances quoted have not been quoted for the pleasure of condemning the particular men who were involved and disgraced, and for that reason no names have been mentioned. The purpose of the recitation has been to point out the various types of abuses which grew up when the people took no interest in their own government, and which will grow up again unless the people continue to take an intelligent interest in their own affairs.

These investigations while of great benefit to the state did not in the aggregate have one-tenth the value to the people of the state of any one of a dozen constructive policies inaugurated by the board of control which it is now the intention to discuss.

### CONSTRUCTIVE WORK.

In a consideration of the constructive work accomplished, it is necessary to bear in mind that many evils existed that had to be eradicated, and the chief of these was the idea that was quite prevalent that the state's business was to be placed where it would do the most good politically.

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It became apparent early that the greatest safeguard to the state was to purchase everything possible under contract and to eliminate in so far as possible non-contract purchases. With this fact established, it was necessary to pay particular attention to the manner in which contracts were awarded. The provisions of law governing the awarding of contracts had been dead for some time.

### CONTRACTS.

As its first step, the board communicated with every chamber of commerce, merchants' exchange, and businessmen's organization of every kind in California of which any record could be secured, asking these associations and organizations to have their members take an interest in the state's business and compete for contracts. In this communication, the board undertook to guarantee to every bidder an absolutely square deal, and pointed out that any bidder who felt aggrieved by any award made by an institution or department could take an appeal to the state board of control and have the matter determined on its merits.

Many firms which had had experience with the state's business were skeptical,—thanked the board for its courtesy, but refused to bid. That was two years and a half ago. Most of those firms are now doing business with the state.

The general response to the invitation to bid was most gratifying, with the result that where eight or ten firms formerly divided the business at different

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state institutions, the number of bidders has risen to between 150 and 200.

The board was organized June 5, 1911, and in that same month the annual supply contracts for the state institutions were awarded. The influx of new bidders and the guaranty given by this board resulted in the filing of more than 300 appeals from the decisions of local boards. These appeals and the facts which they brought out served to show that the specifications furnished by the state upon which the bids were submitted, were at fault in a great many instances. They operated in such a way as to allow the ruling out of practically anything submitted by a bidder. The law provided for the awarding of contracts to the lowest responsible bidders. This law was rendered inoperative by confusing the specifications in such a manner that none but favored contractors would know what was desired.

The provision of law directing the awarding of contracts to the lowest responsible bidder is a wise one. The objection raised frequently to the effect that it operates in favor of cheap and undesirable goods is based on ignorance of the facts or on dishonesty. It can be said without fear of successful contradiction that if a state officer honestly and intelligently draws specifications covering an article desired he can secure competition and receive the best goods at the lowest price. This has been demonstrated many times in the last two years. The following list will show the effect which the renewal of honest competition had upon the prices of supplies furnished the state printing office:

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	Old price.	New price.	Excessive percent- age in old prices.
Book paper for school books, 31x42-80# per lb. ....	\$ 0.0665	\$ 0.044	51%
Book paper for school books, 34x51- 100# per lb. ....	.0665	.044	51%
Book paper, S. & S. C., per lb. ....	.063	.0455	39%
Book paper, M. F., per lb. ....	.052	.043	21%
Book paper, eggshell, per lb. ....	.06	.049	22%
Gummed paper, white, non-curling, per lb. ....	.16	.15	6%
Gummed paper, colored, non-curling, per lb. ....	.26	.15	73%
Bond paper, Crane's (list less disc.), discounts ....	32%	35%	3%
Bond paper, high grade, per lb. ....	.30	.18	66%
Bond paper, good grade, per lb. ....	.19	.12	58%
Envelopes, bond, high grade (list less disc.), per M. ....	2.35	1.80	30%
Bond paper, linen finish, high grade, per lb. ....	.32	.209	53%
Flat paper, good grade, per lb. ....	.195	.091	114%
Flat paper, medium grade, per lb. ....	.12	.078	54%
Flat paper, colored, superwove, per lb. ....	.13½	.107	26%
Ledger, good grade, per lb. ....	.375	.135	178%
Chemical Manila, pink or blue, per lb. ....	.06	.0215	179%
Card board, 120, high grade, per sheet	.05	.0215	132%
Card board, 140, high grade, per sheet	.065	.026	150%
Card board, 120, colored, per sheet....	.065	.0145	348%
Blanks, 6-ply, per sheet....	.0325	.028	16%
Railroad board, 6-ply, colored, per sheet	.04	.027	48%
Index Bristol, 110, per sheet....	.0336	.033	2%
Cover paper, S. & S. C., per lb. ....	.12	.0595	101%
Cover paper, rough finish, in colors, per lb. ....	.12	.09	33%
Envelopes, XXX, good grade, No. 6½, per M. ....	1.12	.96	16%
Envelopes, XXX, good grade, No. 6¾, per M. ....	1.20	1.05	14%
Envelopes, XXX, good grade, No. 9, per M. ....	1.88	1.59	18%
Envelopes, XXX, good grade, No. 10, per M. ....	2.11	1.80	17%

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	Old price.	New price.	Excessive percent- age in old prices.
Envelopes, XXX, good grade, No. 11, per M. ....	2.55	2.25	13%
Envelopes, Columbian Clasp (list less disc.) discount.....	20%	37½%	17%
American Russia buffings, per ft.....	.155	.085	82%
American Russia Cowhide, per ft.....	.295	.16	78%
Calf, assorted, per ft.....	.50	.33	51%
Roans, assorted, No. 1 quality, per skin	1.41	1.07	32%
Bark skivers, XXX, per skin.....	1.87	1.15	62%
Binders' book cloth, assorted T grain, per yd. ....	.75	.1233½	508%
Gold leaf, deep, XXX, per pack.....	9.50	6.80	40%
Gold leaf, pale, XXX, per pack.....	9.25	5.98	54%
Muslin, Indian Head, per yd.....	.12¾	.11	16%
Strawboard, No. 20, No. 30, pasted and unpasted, per ton.....	48.50	47.00	3%
Tarboard, No. 30, 23x31½, per ton.....	49.00	48.00	2%
Super, grey, XX, per yd.....	.06½	.04½	53%
Twine, soft, in skeins, per lb.....	.45	.37	21%
Black ink, half-tone, per lb.....	2.50	.39	541%
Book ink, per lb.....	2.50	.20	1,150%
Black ink, job, best quality, per lb...	2.50	.49	251%
Bond ink, best quality, per lb.....	1.00	.49	104%
Blue ink, job, ultramarine, per lb.....	2.00	.70	186%
Blue ink, bronze, per lb.....	2.50	.70	257%
Copying ink, colors as ordered, per lb.	4.00	.70	471%
Red ink, Geranium Lake, per lb.....	3.00	.85	253%
Red ink, Scarlet Lake, per lb.....	2.00	.90	122%
Red ink, Rose Lake, per lb.....	3.00	.95	216%
Red ink, Cherry Lake, per lb.....	3.00	.95	216%
Yellow ink, Chrome, per lb.....	2.00	.48	316%
White ink, per lb.....	1.50	.42	257%
Laketine, per lb.....	.75	.24	212%
Varnish, reducing, 000, per gal.....	3.00	1.10	173%
Varnish, Damar, per gal.....	4.00	1.50	166%

### NON-CONTRACT PURCHASES.

The facts heretofore set forth have dealt entirely with the state's purchases under contracts and the steps which have been taken to enforce honest com-

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petition and awarding of contracts. Because of circumstances surrounding particular supplies approximately 15 per cent. of what the state uses is bought in the open market. These are termed non-contract supplies.

In the matter of non-contract supplies the conditions which existed were more flagrantly vicious than in connection with the contract supplies. At most of the institutions these supplies were purchased without a pretense of competition, certain favored firms getting the business and charging exorbitant prices. This system inspired dishonest officials to place as much of the purchasing as possible under non-contract.

The rule established and enforced by this board is, that on every non-contract purchase for the state at least three reputable firms must have an opportunity to submit bids. These bids must be submitted to this board in advance of the purchase. This rule has the two-fold virtue of discouraging non-contract buying where unnecessary and of securing legitimate competition on necessary non-contract supplies.

The wonderful improvement in prices on goods supplied to the state printing office is indicative of what happened all along the line in institutions and departments. Reputable firms, assured of equal opportunity in bidding, and equally assured that they would not have to do "favors" for public officials to get their money, were delighted to compete and win the business at honest prices.

An examination of the records of California's

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forty-three state departments and twenty-three institutions will show conclusively that the restoration of honest competition alone has resulted in a saving of not less than \$1,000,000 to the commonwealth.

### TESTS AND DELIVERIES.

The enforcement of honesty and square dealing in the awarding of contracts would prove of little benefit to the state unless steps were subsequently taken to make certain that the state got what it paid for. A favorite method of defrauding the state under the old system was to allow a favored firm to submit a bid at about cost on a given article. Of course reputable firms would provide for a fair and legitimate profit and could not equal the low bid. Subsequently, the favored firm would deliver, not the article bid upon, but an inferior article for which the bid price would be exorbitant.

It was a matter of common knowledge in the city of San Francisco that certain supplies which were rejected as unfit to use at the relief home were shipped the following days to the Napa state hospital and there accepted. The entire system was exposed in the confession of one of the contractors to the board. In this manner the state was not only defrauded but its wards were required to subsist on inferior food and to accept inferior articles generally.

This practice also obtained in relation to other supplies furnished the state institutions and departments. To meet this condition and enforce square dealing as between the state and the contractors, the board constituted the pure food and drug laboratory of

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the University of California the judge of the quality of all food supplies and drugs delivered to state institutions. The assistance rendered by the laboratory has been invaluable, and in this field alone it has more than justified the money appropriated for its support.

Every contractor has given a bond for the faithful performance of his contract. Every executive officer of an institution is personally responsible for the character of supplies accepted. The state demands full value for what it pays, and if the quality of any delivery is questioned, it is settled by reference to the pure food and drug laboratory. The decision of the laboratory is final. If a delivery is inferior, the supplies needed are purchased in the open market and charged against the contractor's bond.

It can safely be said that with the general class of firms now doing business with the state and the knowledge of the system in vogue, there is seldom any intentional attempt to defraud. Some firms, however, must be watched continuously. The vigilance of the local officials and the co-operation of the pure food and drug laboratory, through its inspectors, are absolute guaranties of proper deliveries.

The testing laboratory of the state engineering department renders final judgment on the quality of all purchases of oil, building material, blankets, fuel and supplies of like character. It exercises the same function in relation to these supplies as the pure food and drug laboratory does to food and drugs. The assistance rendered has been excellent and valuable.

All institutions and departments are required to

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keep a record of the goods rejected and the firms making delivery. If a comparison of these records demonstrates that any particular firm is intentionally attempting to defraud the state, such records constitute the basis to bar the firm from bidding for state business in the future.

### PAYMENT OF CLAIMS—PRE-AUDIT SYSTEM.

With the matter of contracts safeguarded and the system of testing established, it was necessary to systematize the methods of ordering supplies and of handling claims when submitted for payment.

Under the old methods the average time of paying claims against the state was between thirty and forty-five days. This was due partly to the fact that it was difficult to get the signatures of two members of the state board of examiners, who were busy with matters in their own departments, and had no opportunity to find out what they were signing. But in large part the delays were due to disputes arising about purchases. Under the system then in vogue, purchases were made and the firm furnishing goods was forced to wait for its money until disputes were settled. Under the pre-audit system inaugurated in all state institutions and departments by the board, all questions as to propriety of a purchase, price, etc., are settled in advance of the purchase.

The pre-audit system provides that the executive head of each state institution and department shall furnish the board prior to the twentieth of each month a certified estimate of the needs of his institution for the next succeeding month. These estimates are de-

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tailed and set forth prospective contract and non-contract purchases, together with the necessary bids on the latter. These estimates are accurate just in that degree to which the executive head of an institution or department is familiar with the institution or department of which he is in charge. Experience has demonstrated that the most accurate estimates are submitted by those executives who take a lively and proper interest in the departments of their respective institutions. Referring to the estimates submitted will afford to the chief executive of the state a fairly accurate idea of the capacity for management displayed by any officer in charge of a state institution.

These estimates when submitted are examined in detail; improper or unnecessary purchases are eliminated; where an institution or department needs any supply of which another institution has a surplus, the transfer is arranged for; this board is enabled to cut all expenditures to keep within the one-twenty-fourth expenditure provision of the statutes; causes leading to deficiencies become apparent; and finally, every question regarding a given purchase is settled in advance and a proper foundation laid for the subsequent audit of the claim resulting from the purchase. After thorough examination the estimates are approved and returned to the institutions and departments prior to the first of the month and the approved purchases are then made.

One illustration will suffice to show the efficacy of the system. On December 1, 1910, the state printer placed with a paper company an order for \$62,000 worth of text-book paper. It was subsequently de-

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monstrated that there was already on hand enough of every kind of paper to run the state printing office for at least one year and enough of some varieties to run the office for from three to ten years. The illegitimate profit in this one order amounted to \$21,000. Payment had been made for \$14,000 worth of the paper before the board of control came into existence. The balance of \$48,000 was never paid because the board forced the company to take back the paper.

There was no pre-audit system in operation at the time, and it is probable that if the contractor had not attempted to charge an extortionate price he could have made the state pay for a tremendous stock of paper which it did not need. Under a pre-audit system this order could never have been given, because the state printer would have been unable to show the need for it. The paper order was merely one of numerous others of like character.

The matter of emergency purchases for which it is impossible to estimate in advance can be dismissed with the statement that they are allowed on the personal responsibility of the executive officer of each institution and department.

The pre-audit system is based on sound principles and is identical with the methods of internal government in vogue in the best managed corporations in the country. Its cost is insignificant. The economy and efficiency which it produces are worth many thousands of dollars.

### DISCOUNTS.

With the estimates disposed of and purchases made, the next problem has been to facilitate the handling

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of the claims based on the purchases. The average time of handling claims from the time they are filed with the institutions until warrants are drawn by the state controller, has been cut down to fifteen days. This is a saving of approximately thirty days and has enabled the state to take advantage of a great many discounts, besides the most desirable features of putting the state into the class of preferred customers.

Fifteen days, however, is considered too long a period and should be shortened. The shortening of this period is made practically impossible by the statutory requirement that claims against institutions be audited by the local boards. The claims must be held at the institutions until the regular monthly board meetings which occur in the first eleven days. This delay causes a loss to the state of ten-day discounts which could be secured by prompt forwarding of the claims for audit, and it can be said on the advice of the members of the local boards that their approval, when secured to the claims, is worthless. These facts are stated without the slightest disrespect to any local board, it being obvious that men engaged in large business affairs who meet for two days each month at a state institution cannot possibly have the time to properly investigate and audit from fifty to one hundred claims.

The elimination of this necessity for approval of local boards will abate no safeguard and will enable the state to pay its bills within ten days, taking advantage of the generous discounts provided for such payments. An average discount of 3 per cent. on

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the state's annual supply bill of \$5,000,000 will mean a saving of \$150,000 annually.

### INVENTORY.

Logically, in the conduct of the business of the state, it is necessary to have an accurate idea of what the state owns. This can only be known through an inventory scientifically worked out. Such an inventory will be automatically completed under the uniform system of accounting which has already been installed in the institutions and departments.

It would be idle to attempt to estimate the amount of money which the state has lost through lack of supervision of the property which it has owned. Neglect and lack of system have been accountable for more of the loss than dishonesty. The discarding of equipment, implements, machinery and supplies of every character, also buildings and land, without proper accounting, has entailed a loss the proportions of which few of the people of the state realize.

It is planned to have a comprehensive and detailed inventory of every article that the state owns completed within the next year. This inventory will be kept alive and will afford a proper check on all institutions and departments.

### DEPARTMENT OF ACCOUNTING.

As an example of the lack of business system which existed in the management of the state's affairs generally may be cited the fact that the accounts of the state had not been audited for a period of twenty years. During this time approximately \$200,000,000 was expended upon state institutions and departments.

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The difficulties presented by this state of affairs can well be imagined. These difficulties had to be met by the accounting department organized by the board of control. The accounting department has completed audits of the accounts of all state hospitals, prisons, reformatories and charitable institutions, of all the vocational boards and of the departments of the state government. In addition to this a uniform system of accounting has been formulated for all the state institutions and departments, and is actually installed and being operated. Another important work has been the devising and installing of cost systems where needed.

The sole attempt up to the present time to defraud the state under the uniform system of accounting occurred in the Southern California state hospital. The private secretary to the medical superintendent, a trusted employee in charge of funds and records, embezzled \$1002. His shortage was quickly established by one of the board of control accountants during a regular audit of the accounts of the institution. The employee was under bond. The total sum was paid back to the state, and the employee, having confessed, was turned over to the authorities of San Bernardino county. He pleaded guilty in court and was admitted to probation under a three-year prison sentence.

This incident not only illustrates the value of the new uniform system of accounting, but demonstrates that regular auditing is absolutely essential to the proper conduct of any business.

Upon the efficiency of the accounting department

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of the state government will depend in a large degree the efficiency of its business methods.

This board has selected its accountants solely on the basis of merit, and the results have been excellent. The present superintendent and his first assistant were selected from a large number of applicants, as provided by law. Neither one was ever known to any member of the board previously. Neither one had any influence of any kind or character exerted in his behalf.

The second assistant now in the department was promoted to his present position from the grade of junior accountant. He and the remaining junior accountants were chosen after competitive examinations.

### THE BUDGET AND FINANCIAL STATEMENT.

The final accomplishment of the board of control in the work of putting the state's affairs on a business-like basis was the budget presented to the 1913 session of the legislature. This budget was the first ever drawn in the history of California or of any other state in the United States, although it is on the budget basis that every efficiently managed private corporation makes its apportionment of moneys each year. In this respect the lead of California has been followed by the state of New York, which will formulate its public expenditures during the year 1914 by means of the budget. Other states which have secured their data from the state board of control will undoubtedly adopt the system in the near future.

Instead of the mad scramble for appropriations which usually disgraced a session of the legislature,

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California last year witnessed its legislature making appropriations for its institutions and departments on a scientific basis, after the needs of all had been thoroughly investigated. Six months prior to the convening of the legislature, the board of control began its work of investigating the financial needs of all departments and institutions. This was completed and a scientific report placed in the hands of the governor two weeks prior to the convening of the legislature. When the legislature met each member had before him an accurate report of the needs of all departments and institutions.

In former sessions of the legislature the executive heads of institutions and departments were forced to come to Sacramento to beg from the political powers enough money on which to run their particular department or institution. During the 1913 session the heads of institutions and departments remained where they belonged, at their respective posts.

When the legislature adjourned, Governor Johnson directed that a financial statement be given to the people of the state so that, should they desire, they would have full opportunity to subject to the referendum any expenditure attempted to be made. This financial statement was the first ever published in the history of California, and it is a notable fact there was no objection to any expenditure.

### **COSTS OF TWO SYSTEMS OF GOVERNMENT COMPARED.**

Having considered the methods in vogue when the corporate interests did the governing and the people paid the bill, and having considered the methods

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which the people's representatives have established, now that the corporations are paying the taxes, it is proper, in conclusion, to consider the cost of each.

In every growing community and state it is elementary that the cost of operation increases with the continued growth, the same as in a private corporation. The feature which is of vital interest to the taxpayers is the reasonableness of the increase and a knowledge of the purposes to which the increase is to be devoted.

THE AVERAGE BIENNIAL INCREASE IN APPROPRIATIONS UNDER GOVERNORS PRECEDING GOVERNOR JOHNSON WAS 20.7 PER CENT. THE BIENNIAL INCREASE IN APPROPRIATIONS UNDER GOVERNOR JOHNSON, COVERING HIS ENTIRE TERM, IS 15.6 PER CENT., OR APPROXIMATELY 25 PER CENT. LESS THAN THE INCREASES OF HIS PREDECESSORS. IN ADDITION THERE REMAINS IN THE STATE TREASURY AT THIS DATE A SURPLUS OF APPROXIMATELY \$3,800,000 TO MEET ALL POSSIBLE EMERGENCIES AND TO OFFSET LOSS OF REVENUES THAT MAY ENSUE FROM THE ACTION OF THE ELECTORS ON CERTAIN INITIATIVE MEASURES WHICH WILL BE PRESENTED FOR THEIR APPROVAL.

What became of the increases under previous administrations no man can say, for the reason that many of the records were destroyed and the affairs of the state had been allowed to proceed for twenty years without an audit. DURING THAT TWENTY YEARS THE SUM OF \$200,000,000 WAS EXPENDED IN THE MAINTENANCE OF THE STATE DEPARTMENTS AND INSTITUTIONS. EIGHTEEN OF THE MEN WHO PARTICIPATED IN THE EXPENDITURE OF THAT \$200,000,000 HAVE CON-

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FESSED TO THE STATE BOARD OF CONTROL THAT THEY WERE DISHONEST.

The Johnson administration can render an accounting for every dollar expended under its direction. The first financial statement in the history of the state was given to the public at the direction of the governor at the conclusion of the 1913 session of the legislature, showing exactly the purpose for which each dollar was to be expended.

Some of the principal appropriations which enter into the increase under Johnson are the following:

Free text-books.....	\$ 500,000
Girls' training school (new).....	200,000
Hospital for insane (new).....	250,000
Fresno normal school (new).....	215,000
University of Cal. (imp'ts).....	457,000
College of agriculture of university of Cal. (increase).....	500,000
San Diego exposition.....	200,000
Los Angeles exposition.....	60,000
State library (increase).....	100,000
State capitol (imp'ts).....	75,000
Rectification of rivers.....	225,000
California reclamation board.....	100,000
California railroad commission.....	368,000
State board of control.....	96,000
Civil service commission.....	50,000
Industrial accident commission (employers' liability).....	267,000
State mining bureau (increase).....	46,000

These items taken at random from the financial records show the purpose for which the money is being devoted.

This money is being raised by increased assess-

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ments against the Southern Pacific Railroad and other public utility corporations.

The enumeration above does not include an advance from the state treasury of \$500,000 which was made to insure the carrying on of the great constructive work of improving San Francisco's harbor in time for the exposition. Because of demoralization in the bond market, \$7,000,000 of the San Francisco harbor bonds went begging. Governor Johnson authorized the investment of \$3,000,000 of surplus state funds in these bonds and insured the sale of the remainder by an advance of \$500,000 necessary as a commission. Without the interposition of the state's chief executive California's greatest harbor would have presented a crippled condition when the navies of the world entered it in 1915.

### CONCLUSIONS.

Summarizing the entire matter, therefore, we find when the political bureau of a corporation administered the government and the people paid the taxes, graft, waste and extravagance flourished unchecked; men holding positions of public trust devoted their attention principally to looting the state treasury and enriching themselves and their friends; state departments were conducted for the benefit of politicians, regardless of the purposes for which they were created, and the wards of the state were looked upon as a necessary nuisance; there was no attempt to systematize the business of the state, but on the contrary, records were destroyed to cover up shortages and discrepancies; the net result of it all being that

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the people at large had nothing to say regarding their own government, but were required to pay an increase of 20.7 per cent. in appropriations every two years.

Within the last three years under a governor selected directly by the people, and with the corporations paying the taxes, graft, waste and extravagance have been eliminated from the public service; California's forty-three state departments and twenty-three institutions are being conducted in the interest of the people at large and for the purposes for which they were created; the business of the state has been systematized until comparison with efficiently managed private corporations is challenged; this systematizing has resulted in a saving, conservatively stated, of not less than \$2,000,000 per year; and the greatest growth in the history of the state has been met with the smallest increase in appropriations.

What has been accomplished would be well worth while even if it were accomplished without a struggle. Accomplished in the face of the most villainous campaign of abuse ever waged against a chief executive of California, it should be doubly valuable to those in the interest of whom the fight was made, the people of the state of California.

What has been accomplished stands as a tribute to the constructive statesmanship of Governor Hiram W. Johnson, and as a monument to his steadfastness of purpose in the interest of the people of the state of California.

Even though all that has been accomplished were to be wiped out in the future, no one could deprive

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California of the distinction of having been governmentally decent and respectable at least for a period of four years. To assert that the people of California, knowing the truth of the conditions which formerly prevailed and of what has been accomplished in the last three years, would revert to former conditions would be to slur the intelligence of California's electors.

## PUBLIC UTILITIES AND THE PROGRESSIVE ADMINISTRATION.

### REMARKABLE RECORD OF THE RAILROAD COMMISSION OF CALIFORNIA.

The railroad commission, elected with Governor Johnson in the campaign of 1910, assumed office in January, 1911. This commission consisted of John M. Eshleman, H. D. Loveland and Alex Gordon. The measure of its authority was defined in the so-called Wright act. Thereafter, during the year 1911, the state legislature substituted the Eshleman-Stetson railroad commission act, which widened the powers of the board. Its authority, however, was still confined to railroads. In 1912 the legislature passed the public utilities act, which enlarged the commission to five and extended the jurisdiction to include steam and electric railroads, express companies, electric, light, gas and power companies, telephone and telegraph companies, water utilities, warehousemen and wharfingers. This act became effective on March 23d, and the commission was enlarged by the appointment by the governor of Max Thelen and Edwin O. Edgerton. The commission organized by the election of John M. Eshleman, president, and Charles R. Detrick, secretary.

The period covered by these three years has been a season of intense activity in the regulation of the public utilities of the state. Previous to the adoption of the public utilities act the work of the commission was concerned almost entirely with railroads.

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At the present time, railroad matters occupy less than one-half of the calendar.

### GENERAL RESULTS.

The general results accomplished by regulation since January, 1911, when the present governor assumed office, may be divided into two divisions; moral and economic. It is the practice to lay stress particularly upon the economic accomplishment. It is true that the decisions of the commission have resulted in the saving to the people of the state of approximately \$6,000,000 per year. More deeply rooted, however, and more essential to the permanent welfare of the state is the moral effect. The achievement of greatest moment through the medium of the railroad commission has been the establishment permanently of the people's control over private corporations in the state of California. Before the present state administration took office, it was an accepted fact that large public service corporations controlled the government of California, and that this control was vested particularly in the largest public service corporation of the state. The primary idea in the minds of those who gave to this railroad commission its extensive powers, was the overthrow of the dominance of these public service corporations. The commission believes that the control of the people over these public service corporations has been so positively fixed and determined that not even the most arrogant of these great corporations now doubts it.

### MEN ABOVE MONEY.

This has been referred to as a moral accomplishment. Such it is. The last decade in American his-

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tory is the story of the assertion of the human right above the property right and in no state in the union has this assertion been supported by more efficient deeds than it has in the state of California. The property of individual men is being made to serve the purposes of the community of men.

Under the old order in California, communities of men were made to serve the purposes of individual men. The long continuance of such a relationship means the destruction of individual independence and initiative. With the overthrow of the political power of these great public service corporations and their subjection to the control of the people must come that re-assertion of individual independence and initiative, which makes for the betterment of mankind. This more than all else makes the work of the railroad commission worth while.

### WIDE JURISDICTION.

The jurisdiction of the commission extends over 1147 utilities, classified as follows:

Steam railroads .....	57
Electric railroads .....	42
Express companies .....	5
Electric light, gas and power utilities...	170
Telephone and telegraph utilities.....	221
Water utilities .....	392
Warehousemen .....	235
Wharves .....	25
<hr/>	
Total .....	1147

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These utilities reported to the commission combined assets in excess of *four billions of dollars*. This may afford a measure by which to judge the magnitude of the operations over which this commission has jurisdiction.

From the date of its organization in 1911, to October 1st of last year, 473 formal cases and 774 formal applications were filed with the commission, or a total of 1247 of these formal matters requiring investigation and public hearings. In addition, 2377 written informal complaints came to the commission's office, making a total of 3624 matters submitted in the two years and nine months demanding adjudication. To investigate, hear and pass properly upon the issues presented has taxed to the utmost the time of the commission and its assistants. For the purpose of expediting its work the commissioners hear cases individually and sit *en banc* only where the situation requires it.

### **SIMPLE PROCEDURE.**

Through its informal department the commission enables any citizen of the state, by the use of merely a two-cent stamp or a postal card, to lay any matter before it. The humblest citizen without expense has, therefore, the full privilege of calling the commission to his aid where his grievance is justifiable. Every informal complaint thus received is given the same careful attention that attaches to a regular case. In this manner the commission is able to attain a high degree of usefulness to the people. The power of the state is always at hand ready to be invoked for

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the aid of the most humble of its citizens, whose cause, be it ever so small, is just.

It was through an informal complaint made by letter that the telephone rates between San Francisco and Oakland, Alameda and Berkeley were reduced from the normal charge of 15 cents to 10 cents, effecting the saving of nearly \$250,000 for the people and benefiting more or less directly the combined populations of 800,000 people. In its proceedings, the commission follows no set rules. It seeks to go directly to the facts and, wiping aside all technicalities, passes at once to the real issue in controversy. Trained legal knowledge is not a prerequisite to an appearance before the commission. A litigant is given the full benefit of the commission's simplified processes, and legal intricacies of method and procedure are prohibited. For this reason the commission has been alluded to as the people's court.

### ORGANIZATION.

The work of the commission is organized into six departments, as follows:

1. Administrative.
2. Legal.
3. Statistics and accounts.
4. Rate.
5. Engineering.
6. Stocks and bonds.

Each department is subdivided into such bureaus as are necessary. In the rate department, for instance, are bureaus devoted to railroad, water, gas

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and electric, telephone and telegraph, warehouse and wharf rates. In the engineering department are bureaus devoted to electrical engineering, hydraulic engineering and to general service and safety work. The force of the commission has been extended until it now comprises 107 employees.

The nature of the matters submitted to the commission for adjustment are such as to render speedy determinations imperative. Stock and bond issues must be handled expeditiously. Rate inconsistencies must not be allowed to continue longer than can be avoided. The commission has, therefore, adopted the policy of proceeding with as much speed as accuracy and full justice will demand. On the matters coming before it since the adoption of the public utilities act, requiring formal hearings, the commission has rendered its decisions at the rate of ten per week. In these formal cases, the average time from the filing of the papers to the decision has been 34 days. The average time from the filing to the hearing has been 12 days; and the average time from the hearing to the decision has been 22 days.

Despite the large number of matters before it, the commission has kept abreast with its calendar, and those cases now undecided represent merely the normal calendar accumulation. The commissioners travel about the state, holding hearings where the greatest convenience of the people suggests.

The press of work has required the opening of a second hearing room in the commission's quarters in

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San Francisco and the creation of an office in the city of Los Angeles.

### **EFFECTIVE AND SPEEDY.**

In only one case has the commission been compelled to resort to the punitive features of the public utilities act. The Hermosa Beach Water Company failed to comply with the order of this commission directing it to increase the pressure and make certain extensions. After due time, the utility was directed to comply with the order within 30 days or to pay a fine of \$500. It elected to comply with the order.

Although the legislature determined to submit to the voters at the election to be held in 1914, a constitutional amendment transferring to the jurisdiction of this commission public utilities now under the authority of the incorporated cities of the state, some cities have already by voluntary action placed this jurisdiction with the commission. The following municipalities have thus transferred the authority over their public utilities: Palo Alto, Willits, Orange, Monterey, Salinas, Covina, Eagle Rock, Antioch, Ontario, Belvedere, Daly City, Huntington Beach, San Jose, Petaluma, San Rafael and Oroville.

Many of the cities of the State have asked the commission to co-operate in regulating their public utilities. The commission assisted in the adjustment of telephone rates within the city of San Francisco.

### **SOME OF THE PROBLEMS.**

The work of the commission may be divided into (1) regulation of rates; (2) regulation of finances;

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and (3) regulation of service of all public utilities. In adjudicating these and related matters, the commission has been called upon to meet and solve problems of fundamental importance. One of the foremost of these was the situation created by the existence generally throughout the state of contract rates. Public utilities had entered extensively into long period contracts for the sale of their product. Water companies in particular had entered into agreements to deliver for advance or continuing payments, a fixed measure of their supply for several years into the future. The commission has determined that such contracts could not nullify the superior power of the state to regulate rates. It has held, therefore, that the rates fixed by the commission supersede such contract rates. The effect of this decision has been to put a stop to all efforts to evade the commission's authority over rates. An effort was made by several utilities to enter into contracts with certain patrons and thus to circumvent the authority of the commission. To allow contract rates to stand would be to sanction rebating to the favored few, and therefore, to discriminate against the great mass of the public. The commission has held that the state's power to fix fair and reasonable rates cannot be impaired by any action on the part of any public service corporation.

At the same time, the commission has stated that in such cases where such contracts were entered into in good faith for adequate value, it will not be disposed to disturb them unless good cause appear. It

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has happened also that in some instances an endeavor has been made to use the commission's ruling for the oppression of the public. Land promoters have induced people to buy by promising to contract for water service at a low figure. The low water rate was a bait to sell the land. Now these promoters have sought to persuade the commission to raise the water rates. The commission has held, however, that it will enforce contract rates thus made unless it can be affirmatively shown that they constitute an unreasonable burden calculated to impair the service of the utility.

### PHYSICAL VALUATION OF RAILROADS.

The commission has carried forward under instructions from the legislature, the valuation of all of the railroads of the state. Valuations have been completed for 27 railroads with a total of 1099 miles. Valuations are nearly completed for four other railroads with a total of 1299 miles, and are well under way for the remaining lines.

### UNMERGING OF S. P. AND U. P.

No case attracted more general attention than the proposed unmerging plan of the Southern Pacific and Union Pacific companies. The roads had been directed by the United States supreme court to dissolve. They presented to the commission for its approval contracts, leases and agreements under which these carriers proposed to carry out the dissolution decree of the United States supreme court. The commission regarded some of these contracts as constituting

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merely a re-merging in somewhat different form. It took the position that the railroads should not be permitted to grant to each other exclusive privileges. The commission maintained that, in the face of the order of the United States supreme court directing that the two lines be divorced, it should refuse its authorization to any plan that in reality meant a new combination. The commission believed that this was merely a re-amalgamation in disguise. The approval of the California commission was essential to the plan and therefore, when this approval was denied the plan fell.

### IRRIGATION PERPLEXITIES.

No work that the railroad commission has undertaken affects more vitally the welfare of the people of California than its endeavor to straighten out and adjust equitably the involved irrigation situation in the state. In several of the large irrigation sections conflict and misunderstanding between the utility and the water users have led to serious conditions. The land owners do not get a sufficient supply of water nor is it properly distributed in many instances. On the other hand, the utilities refuse to make extensions and to further develop their supplies for lack of assurance of adequate remuneration. The commission, however, has stepped in and has endeavored, and in many instances has succeeded, in causing the irrigation company to increase its supply, to repair its system and to make proper and complete distribution of water, and in return for this has caused the patron to pay an equitable rate. It has been found that

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when the two parties can be thus brought together the difficulties of both are solved. In this way the commission has been able to secure the proper irrigation of hundreds of thousands of acres over which there had been previously strife and bitterness, but insufficient water.

### GET SAVINGS IN REDUCED RATES.

Much of the commission's earlier work was concerned with rate matters. The utility rates throughout the state have been generally adjusted upon a lower and more reasonable basis. While computations of actual results from rate reductions may not be absolutely accurate, they nevertheless afford a good measure by which to judge the effect. Based upon actual sums paid by utility patrons during the previous years, reductions made by the commission amount to approximately \$2,500,000 in freight and passenger rates; \$1,000,000 in gas and electric rates; \$1,250,000 in telephone rates; \$750,000 in express rates, and \$500,000 in miscellaneous reductions. These savings can be readily traced and identified. These figures mean, and will continue to mean, as long as the decisions remain in effect, that the rulings of the commission are saving to the people of California \$6,000,000 per year in the sums they have paid for utility service. It is a 6 per cent. saving on \$100,000,000.

During the time that it has had jurisdiction over stock and bond issues, applications have been made to the commission to issue securities in the sum of \$262,000,000. Of these applications, the commission

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has approved an amount aggregating \$177,000,000 and has disapproved \$18,000,000. The balance are pending.

### SAFETY FIRST.

In its supervision over public utility service, the commission has held safety foremost. It has, in fact, placed safety above all else. Its orders have gone forth time and again with the statement that the utilities should safeguard their service in every possible particular for the protection of the public and the utilities' employees, and with this statement has gone forth an expression of the commission's willingness to subordinate all else to safety. Particularly has the commission stated that if necessary rates may be raised to enable utilities to provide all of the safety devices of proven efficacy.

Not only does the commission's service department investigate all wrecks, but it has instituted inquiries into the methods of operation and the rules employed by all railroads. The railway service is inspected and any laxity or dereliction is promptly called to the attention of the operating officials and correction demanded. The investigation of one wreck revealed that the operating officials did not enforce their own rules, and the investigation of another wreck showed that employees had not been given proper drilling in the rules.

### SAFETY DEVICES.

In one of its rulings, the commission called upon the Pacific Electric Railway Company to prepare estimates for block signaling its system. The commission

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has also required that safety interlocking devices be placed at dangerous crossings. It has furthermore announced its intention of compelling the elimination, where possible, of all grade crossings where great risk is involved. In addition, the commission's service department has been supervising dispatching methods of the different roads. All of these measures are pursued for the purpose of obtaining the maximum degree of safety upon all the railroads of the state.

### RATES.

In the matter of rates the commission has readjusted particularly the railroad freight charges, gas and electric rates and telephone rates. Freight rates have been reduced over a very large part of the state of California. The reductions in all have amounted to approximately \$2,500,000 per year. The work of the commission affecting rates was directed particularly toward removing discriminations and abolishing extortionate charges. To this end the commission began by wiping out extensive discriminatory tariffs and examining schedules to require that they conform with the long and short haul provisions of the state constitution.

A brief summary of some of the most important rate readjustments effected by the commission follows:

#### SAN PEDRO RATE CASE.

The commission found that the rates on the Southern Pacific between Los Angeles and San Pedro were highly extortionate. The purpose of such high rates in this territory was obviously to prevent shipments

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by water and to deprive Los Angeles of the natural advantages of its harbor. After an investigation the commission cut the rates, with a resulting saving to the shippers which will average between \$100,000 and \$200,000 per year.

This was the first order of the commission directing that sweeping reductions be made in rates. It was resisted by the Southern Pacific, and President Sproule of that company suggested that a test case be made by arresting an agent at San Pedro. To this the commission replied that the days of arresting agents had passed in California. The commission informed Mr. Sproule that if the order were violated and the rates not reduced as directed, the commission would proceed to fix the responsibility for the disobedience just as high as possible, and would then arrest the highest men thus found responsible. The rates went into effect. Since that day there has been no disposition to run counter to the commission's orders.

### **SAN JOAQUIN VALLEY RATE CASE.**

Complaints from San Francisco, Los Angeles and points within the San Joaquin valley led to a prolonged hearing on the freight rates throughout the San Joaquin valley. As a result of the commission's investigations, reductions were made amounting to \$750,000 per year. This required the compilation by the commission of more than 600,000 new rates.

### **IMPERIAL VALLEY RATES.**

Rates between Los Angeles and Imperial valley on the Southern Pacific had been placed at a point which

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restricted the free interchange of produce. The commission found the rates unreasonable and reduced them by approximately \$150,000 per year. The result was to enable Imperial valley farmers to ship their produce advantageously to the Los Angeles market.

### RATES INTO OIL FIELDS.

Upon investigation the commission found that the Sunset Western railroad, owned jointly by the Southern Pacific and Santa Fe, and connecting Bakersfield with the West Side oil fields of Kern county, was maintaining highly extortionate rates. It found that the company, with greatly inflated capitalization, had earned 60 per cent. the first year and 100 per cent. the second year. The commission cut the rates by 40 per cent., effecting a saving of approximately \$50,000 per year.

This reduction opened up the oil fields to a traffic heretofore denied them and enabled the oil operators to get their materials into the fields more cheaply and to ship their oil out at better advantage.

The commission has completed an exhaustive investigation into all the oil pipe line companies in the state. The purpose was to determine a fair and proper charge for the transportation of oil from the fields to the market centers. The aim is to protect the small producer and to secure for him a proper outlet for his petroleum.

### OWENS VALLEY CASE.

The commission's investigation into the rates on the Southern Pacific between Los Angeles and Owens

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river valley revealed that the schedule was on so high a basis that improvements and development were greatly restricted along the line. Farmers complained that it cost as much to ship their crops out as they were worth. The commission directed that great reductions be made, with a resulting saving to the people in that section of approximately \$110,000 per year.

### WELLS FARGO RATES.

As a result of its investigation into Wells Fargo & Company, the commission wiped out every rate, substituted an entirely new system of rate making, and effected thereby a saving to the people of the state of California of \$750,000 per year. The commission found that the company had maintained highly disproportionate schedules. The commission reported also that the relationship between the express company and the railroads was such as to deflect to the express company profits properly belonging to the railroads.

### DEMURRAGE ORDER.

The commission reduced the rate on car demurrage from \$6 to \$3 per day.

### DRIED FRUIT RATES IN SAN JOAQUIN VALLEY.

The commission readjusted the schedule of rates for dried fruits in the San Joaquin valley, resulting in a saving of \$200,000 per year.

### SPECIAL RATES INTO SAN JOAQUIN VALLEY.

By informal adjustments after the close of the formal San Joaquin valley rate case, the commission

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made further reductions in special commodity rates such as sugar, canned goods, soap, syrup and vinegar.

### LIVE STOCK RATES.

Readjustments made by the commission on live stock rates from various points throughout the state have resulted in a saving to the shippers of approximately \$35,000 per year.

### CEMENT RATES.

Through formal complaints and its own investigation, the commission reduced the rate on cement throughout the state, not only lowering the cement schedule but the price of cement to the consumer. This reduction effected a saving of approximately \$50,000 per year.

### NORTHWESTERN PACIFIC INVESTIGATION.

The whole rate schedule on the Northwestern Pacific Railroad was investigated by the commission, inequalities removed, and some of the commutation rates reduced.

### PLACERVILLE BRANCH RATES.

The commission reduced all class rates on the Placerville branch of the Southern Pacific by 20 per cent.

### LUMBER RATES.

Lumber rates were reduced largely throughout the state by the commission, particularly on the San Joaquin & Eastern Railroad.

### CREEK ROUTE RATES.

The effort of the Southern Pacific to raise the rates on the Creek Route ferry between San Francisco

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and Oakland, patronized particularly by the working men, was thwarted by the commission's refusal to approve.

### OAKLAND PASSENGER RATES.

The commission found that passenger rates from Sacramento valley points into Oakland were upon the same basis as into San Francisco, despite the fact that the bay trip was not part of the Oakland trip. The commission thereupon reduced the rates from Sacramento valley and northern California points into Oakland by five, ten and fifteen cents. This effected a saving which will amount to approximately \$15,000 per year.

### SACRAMENTO RATE REDUCTION.

The Southern Pacific and other railroads have maintained special week-end and excursion rates from the bay cities to nearby points for one and one-third the single trips. These rates applied to all points excepting Sacramento. The commission thereupon directed that Sacramento be included. The week-end rate was cut from \$5 to \$3.35, effecting a saving approximating \$10,000 per year.

### PULLMAN SEAT FARES.

The commission directed the Pullman company to reduce its seat fares for day trips between San Francisco and Los Angeles from \$1.50 to \$1.25. The commission also directed the company to reduce its berth rates between Los Angeles and San Diego from \$2 to \$1.50 for a lower berth, and from \$1.60 to

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\$1.20 for an upper berth. The savings effected by these reductions approximates \$10,000 per year.

### SPECIAL SEAT FARES.

The commission found that the Southern Pacific Company, after withdrawing one of its first class trains, was charging 50 cents extra for seats in a regular day train. The commission thereupon directed that the company should cease charging the extra 50 cents. This effected a saving of approximately \$15,000 per year.

### COAST PASSENGER RATES.

The commission made a complete readjustment of the passenger rates on the Coast branch of the Southern Pacific, affecting points between San Jose and Santa Cruz. The saving in this case is approximately \$25,000 per year.

### PENINSULA RATE CASES.

The commission instituted an investigation into the commutation rates on the San Francisco peninsula, between San Francisco and points as far south as San Jose. Before the completion of this inquiry, however, the Southern Pacific and the peninsula communities agreed upon an adjustment and the case was dropped.

### OAKLAND COMMUTATION RATES.

The commutation rates between Oakland and Hayward were reduced by the order of the commission from \$5 to \$4.50, and to \$4 for a special week day rate.

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### BAGGAGE TRANSFER RATES.

The commission arranged with the railroads that the former charge of 50 cents for transferring baggage from one portion of the Ferry building to another, in San Francisco, should be reduced from 50 cents to 25 cents, and in some instances made free of charge.

### COMMUTATION RATES ON LOS ANGELES & SAN DIEGO BEACH RAILWAY.

The commission provided for a lower commutation rate on the Los Angeles & San Diego Beach Railway.

### OTHER REDUCTIONS.

This is but a brief summary of some of the more important reductions. Rates generally have been lowered and standardized throughout the whole state. The commission has, in some cases where it believed the equities required, authorized advances in rates. It has in many instances also denied applications for advances where it did not believe they were justified.

### GAS AND ELECTRIC RATES.

In the domain of gas and electric power utilities, the commission has been able to bring about a complete new schedule of rates in the greater part of California. It has made material reductions in the northern part of the state and has placed electric power for lighting purposes at the disposal of householders throughout the northern counties at 8 cents per kilowatt hour in lieu of the 10 cents per kilowatt hour which had been formerly paid.

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The commission has lowered the wholesale rates for natural gas in Los Angeles county from 18 to 14 cents per thousand cubic feet. Every consumer in the city of Los Angeles will feel the effect of this reduction.

In the southern part of the state, in small cities, and in unincorporated territory, it has reduced the 10-cent lighting rate to the 7-cent basis. In Palo Alto it has readjusted the gas rate from \$1.50 per thousand to \$1.20 per thousand. It has, in fact, extended its reductions in electric rates over a large part of Contra Costa, Napa, Solano, Sonoma, Alameda, Butte, Colusa, Marin, Nevada, Placer, San Mateo, Santa Clara, Sacramento, Sutter, Yolo, Yuba, Los Angeles, Riverside, San Bernardino, Glenn, Shasta and Tehama counties.

### **WASTEFUL COMPETITION PROHIBITED.**

A considerable part of the readjustment of electric power rates came about through the commission's policy as enunciated in its decision in the case of the Pacific Gas & Electric Company vs. Great Western Power Company. The Great Western Power Company sought to enter the north bay counties, including Marin, Sonoma and Napa, and applied to the commission under the public utilities act for a certificate of public convenience and necessity. The commission, in that case, held that where a utility was completely serving a territory and serving adequately at fair rates, it would not be disposed to allow a second utility of the same kind to enter the field.

The immediate effect of this ruling was to spur

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every utility to augmented and better service and to lower rates. With no further action on the part of this commission than the decision referred to, electric rates fell all over the state of California and there came at the same time a marked improvement in the service.

Specific adjustments have been made by the commission in the gas rate in the city of Orange and in the electric rates of the Tuolumne County Power Company.

More important than all of the commission's single adjustments, however, has been its standardization of electric light and power rates over the state.

The commission has more recently completed an investigation into the price of natural gas for wholesale distribution in Los Angeles county.

### TELEPHONE RATES.

The commission has been enabled to adjust on a more equitable basis, telephone rates throughout all parts of California. It has within recent months completed a thorough investigation into all of the toll or long distance rates within the state. One of the commission's first actions through its telephone bureau was to obtain reductions in 102 cities in California. Soon after it directed that the rate between San Francisco and the cities of Oakland, Berkeley and Alameda be reduced from 15 cents to 10 cents for the average switch. This alone affects 800,000 people and has resulted in a saving which averages approximately \$200,000 per year.

The city of San Francisco, through its board of

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supervisors, called upon the railroad commission to assist in establishing a proper schedule of rates for the municipality. A lower schedule was submitted and approved and accepted without contest by the telephone company. The effect was a saving to the people of San Francisco of approximately \$300,000 per year. A referendum vote placed the rates on a still lower basis and the matter has been carried to the courts.

It has devolved upon the commission to adjust not only telephone rates between the utility and its patrons, but to adjust the divisions between the telephone companies. It was found that the small telephone companies were paying a highly disproportionate share to the Pacific Telephone & Telegraph Company, and to recoup themselves these smaller companies were compelled naturally to assess heavier charges to their patrons in the rural districts. The commission has now compelled a more equitable basis of division which increases the revenue of the smaller companies and enables them to give the benefit of a low rate to their patrons.

Several small telephone companies applied to the commission for authority to raise their rates, but after the division of revenues was rearranged with the Pacific Telephone & Telegraph Company, these applications were withdrawn.

The commission recently completed its review of all the long distance telephone rates within the state, and has in consequence reduced those rates by \$526,000 per year.

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The period of conversation was extended to two minutes and the rates were reduced in nearly every city in the state.

### WATER RATES.

After the city of Willits transferred the jurisdiction over its utilities to the railroad commission, an investigation showed that the water rates should be lowered. They were accordingly placed upon a lower basis.

The commission has raised the water rates in several sections of Los Angeles county. It has, in fact, worked out a basis upon which the water companies can give service and the patrons can be assured of proper supplies.

### WAREHOUSE RATES.

The commission has readjusted the warehouse rates within the city of San Francisco. The basis of rates as finally evolved through the co-operation of the warehousemen and their patrons has gone into effect upon the assurances that they were satisfactory to all parties concerned.

### FINANCES.

In its control over finances of public utility corporations as represented by its jurisdiction over stocks and bonds, the commission has been enabled in a large measure to assist the utility, the investor and the utility patron. The rule of the stock and bond feature of the public utilities act is that over-capitalization shall be prevented, for the reason that over-capitalization overburdens the utility in that it im-

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poses unnecessary and improper obligations upon it; is unfair to the investor in that it gives him securities certain to depreciate; and is unfair to the utility patron in that the utility thus over-burdened cannot make the necessary extensions and improvements to render adequate service at reasonable rates.

### PROTECTING INVESTORS.

It is the purpose of the stock and bond section of the law that every dollar realized from stock and that every dollar realized from bonds shall go legitimately to the upbuilding and the improvement of the utility and shall not be diverted into improper channels for individual profit. Stock and bond regulation springs from the changed relationship between the public service corporation and the public. The public has asserted, and will continue to assert, even more vigorously than in the past, its right to the dominant partnership in the public utility enterprises. In this new partnership the public does not mean to stand idly by as the possessor of a minority interest. It may not have the majority stock, but it has the majority interest. In this new relationship of partner, the public desires to know that the money invested by a public utility corporation is invested for the public good. We have only recently read of the financial transactions by which a large eastern railroad deflected millions upon millions of dollars into highly improper channels. Money thus wasted is assessed against the public.

The railroad commission of California does not stop with the authorization of securities, but requires re-

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ports from the utilities showing definitely the use to which the money was put. These reports are checked over by the commission and any improper use of funds is thus prevented.

### LEGITIMATE ENTERPRISE AIDED.

It was urged against the stock and bond feature of the public utilities act that it would prevent investment in California. The experience after a year and nine months leads to the conclusion that only those investments have been prevented which, for the good of the state, should have been prevented. That legitimate enterprise has in no way been hampered but, on the contrary, that the law has encouraged investment and has served to inspire greater confidence in securities in California and hence to quicken development, is amply demonstrated from the records of the commission.

During the period from March 23, 1912, to January 1, 1914, applications were made to the commission for stock and bond authorizations to the amount of \$262,000,000. Of these applications the commission has passed favorably upon \$177,000,000 and has denied \$18,000,000. The balance are pending. Thus it has prevented the sale to the public of nearly \$1,000,000 a month in questionable securities. The stocks and bonds authorized have been distributed among the utilities as follows:

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<i>Utility.</i>	<i>Stocks, Bonds and Notes.</i>
Steam railroads .....	\$ 50,802,925.05
Electric railroads .....	35,266,451.00
Gas & Electric companies.....	65,948,451.02
Water companies .....	20,707,031.00
Telephone & Telegraph companies...	4,129,817.00
Warehouse companies .....	751,515.00
Steamship companies .....	12,000.00
<hr/>	
Total authorized .....	\$177,618,190.07

The commission has been called upon to pass upon new financing at the rate of approximately \$500,000 per working day. Clearly, the public utilities act has been a stimulus to investment and development.

### UNIFORM ACCOUNTING.

In connection with the proper financing of public utilities, the railroad commission has introduced sound and uniform accounting; it has prevented the capitalization of consolidations, franchises and other intangibles, a very general practice before the public utilities act went into effect; and it has eliminated wasteful expenditure.

As a part of its supervision over stocks and bonds, the commission has required that public utility promoters return money improperly taken from the utility. The commission refused to sanction further financing by the United Railroads after it discovered evidences of the most reckless forms of frenzied finance on the part of high officials of that company. Its investigation revealed that money had been ex-

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pended in great lump sums for indefinite purposes, that fictitious exchanges had been made, and that in several ways jugglery and chicanery had been practiced with the finances.

In the case of the Economic Gas Company of Los Angeles the commission declared illegal \$365,000 of bonds which had been issued improperly and had been put out without the commission's sanction. The commission found that in this case there had been an effort to evade the law and brought about a reorganization.

The commission required the promoter of an electric railway to return over one million dollars of stock to the treasury of the company.

Before authorizing securities, the commission has required utilities to place themselves upon a proper financial basis.

### ESTABLISHING STANDARDS.

Not only has the commission prevented frenzied finance and prevented corporations from collecting money by misrepresentation or improperly using money after it had been collected, but it has, in addition, adopted standard forms for the purpose of strengthening every public utility that comes before it.

Two portions of the public are vitally affected by stock and bond regulations; first, that portion of the public comprising the patrons of the utility, and second, that portion of the public comprising the investors in the utility enterprise.

The interest of the public goes directly to rates and service. Bond issues for purposes of private

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profit mean high rates and inadequate service. The public's protection lies only in a proper safeguarding of the purposes for which bonds and stock may be issued. The interest of the investing portion of the public requires a proper safeguard of public utility expenditures. There must be not only the safety of principal, but assurance of proper return. The stock and bond regulation of the commission is directed and has been used to put an end, wherever existent, to deflection of money from the utility to individual profit, high finance and improper usage. This check, as exercised by the commission, is now so complete that every dollar received by the utility may be traced.

### INDUCTION INVESTIGATION.

A particularly far-reaching undertaking, having for its end the betterment of service, has been carried forward in the form of an investigation into induction as between the high tension power lines and the telephone lines. Numerous complaints have been received by the commission of inductive interference by power lines with telephone wires to an extent which seriously interfered with the service. The preliminary attempts to solve the matter were unavailing. The commission thereupon undertook a complete investigation of the whole subject. Accordingly a joint committee was formed comprising representatives from the staff of the commission, representatives of the power companies, and representatives of the telephone companies. At the head of this committee is the chief engineer of the commission. The committee has been conducting a series

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of practical tests in the Salinas valley and has been studying in a highly scientific manner the causes and effect of this form of induction.

This induction trouble is common to every locality where power lines and telephone lines come into proximity. The California experiments are the first that have been undertaken on such a comprehensive scale, and the commission is pleased to report that it has received the co-operation not only of the interested public utilities of California, but of the public service commissions and of the public service corporations and many scientists throughout the United States. These tests will be conducted over a series of months, and at their conclusion the committee will report to the commission. It is the endeavor to devise some plan by which this inductive interference may be prevented.

The results so far achieved have been such as to encourage the commission in its effort to solve this problem. This is a matter of wide scientific interest.

### GENERAL SERVICE OF RAILROADS.

In its efforts to bring about an improvement in the service of all public utilities, the commission has kept in mind the benefit of the public rather than the convenience of the utilities. It was this fundamental basis of the principle of service that led the commission to establish through routes and joint rates as between carriers. Before the commission began to operate under the public utilities act there was very little interchange as between steam railroads and electric railroads. The commission, however,

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established the principle that the steam and electric railroads should provide through routes and joint rates.

In this way an orchardist or individual shipper located on an electric trolley line has been able to obtain the same benefits of transportation that are provided for the large shipper in the big city. The orchardist or grower may now load his freight at his very door, where it will be picked up by the electric line and transferred to the steam road at the point of intersection, to be carried to some other part of California or to the markets of the world. In this way through routes and joint rates have been arranged by the commission between the Santa Fe and the Empire Traction Company; between the Santa Fe and the California Traction Company; between the Western Pacific and the Northern Electric; between the cement railroads and the main line carriers.

### PHYSICAL CONNECTION BETWEEN TELEPHONE COMPANIES.

Following out very much the same principle, the commission has established physical connection between the unrelated telephone companies so that the user of the independent line may have the benefit of long distance service over the lines of the larger companies. The commission's ruling in this regard was appealed to the supreme court. The commission has also set a definite standard of service for telephone companies and by means of a state-wide

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check has greatly increased the efficiency of the telephone for public use.

### NEW DEPOTS.

For the greater convenience of travelers the commission has directed that new stations be built at a great many points in California. The most important of these was the commission's order directing the Southern Pacific to build a first-class passenger and freight depot at West Berkeley. The commission has directed also that new depots be constructed at Glen Frazer, Bowles, Lone Star, Talheim, and Hilton, and has provided for a station agency at Termo. The commission has further directed that shelter sheds be erected for the protection of passengers at a great many points throughout the state.

### ADDITIONAL TRAIN SERVICE.

The commission has been instrumental also in obtaining additional train service where needed. Through inquiries and investigations which have been made, increased service in the form of an additional train was provided on the Coast line between San Francisco and Los Angeles. Improved and increased motor car facilities have been established in the Sacramento valley. Additional service has been obtained for Imperial valley. Better conditions have been brought about on the Northwestern Pacific.

The commission has also introduced throughout the state a proper system of bulletining trains, so as to apprise the public as to the hour of arrival of

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all delayed trains. The commission has insisted also that station rooms be kept in a sanitary condition.

In cases where adequate showing has been made that earnings did not warrant the service given, the commission has allowed trains discontinued as, for instance, in the case of the Ocean Shore Railroad, which was given authority to cease the operation of one of its trains during the winter months.

### METERS AND SERVICE CONNECTIONS.

A state-wide investigation has been begun to improve generally the service of water utilities. The commission has directed that these utilities shall no longer assess against prospective patrons the cost of the extension with which to serve them. This, in effect, required the water users to pay interest upon their own money. The commission has indicated its disapproval of this practice.

The commission has made it a practice in a large number of its decisions to require the installation by the water utility of the service connection and the meter at its own expense. This policy has been carried forward until it has been adopted as a principle to be departed from only under special circumstances.

A résumé of some of the more important findings on service matters follows:

New depots erected by order of the commission in Berkeley, Suisun, Empire, Bowles and several other points in California.

Carriers required to provide individual drinking cups for passengers at one cent apiece.

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Train service from San Jose to San Francisco via Niles for fruit and vegetable shipments rearranged for convenience of shippers.

Carriers required by commission's general order to post notice of any change in time of arrival or departure of any passenger trains.

Railroads directed by general order to open station rooms thirty minutes before arrival of trains and to keep stations lighted and warm.

Railroads directed not to remove tracks or stations or to abandon agencies without the commission's authority.

Special findings made upon wreck of the San Francisco, Napa Valley & Calistoga Railway, censuring company for failure to enforce proper operating rules.

Special investigation and report into wreck of Pacific Electric Company, censuring officials for failure to instruct men properly and directing the company to prepare preliminary plans for block signaling its system.

Expert dispatcher employed to supervise dispatching on steam and electric roads.

Delayed installation of telephone service corrected over widespread section of the state.

Pacific Telephone & Telegraph Company required to render telephone service at Saratoga.

Principle announced that a public utility could not abandon service but must continue the duty assumed.

Order issued forbidding sale and distribution of impure water.

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General order issued providing for proper clearance of overhead wires.

General order issued providing for standard form of interlocking devices at dangerous crossings.

Voluntary reductions in rates and improvements in service made by utilities following announcement of policy that, if rates were as reasonable as could be offered and service as adequate, utilities could be protected against competition in their fields.

### INFORMAL DEPARTMENT.

The commission has been able to accomplish very satisfactory results through conference and correspondence. It maintains an informal complaint department where complaints from individuals, which come by letter, are given careful consideration. To date 2500 such complaints have been received. They reach the commission's office at an average of four or five a day. These complaints range from grievances over a transfer or a five-cent fare to protests against overcharges amounting to thousands of dollars. In a great majority of these cases the commission was able to make adjustments without formal hearings entirely satisfactory to the protesting individual and to the utility.

Obviously an individual's letter to a utility corporation, containing a minor protest, might not receive the full attention to which the writer might believe it entitled. The commission, however, as the representative of all the people of the state, acts for any person who files a complaint with it. After examination, if the commission believes a complaint unjust

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tified, it so notifies the author. If, on the other hand, it believes there is merit in the protest, it insists that the matter complained of be remedied by the utility.

Through the medium of informal complaints, new trains have been added to the railway service, rates have been adjusted, discriminations have been removed, and other important actions taken. An informal complaint in a letter was the inspiration for the reduction of telephone rates between San Francisco and the cities of Oakland, Alameda and Berkeley, from 15 cents to 10 cents for an average switch.

An informal complaint led to the Wells Fargo investigation, which has resulted in an order canceling all the rates now in effect. Informal complaints are responsible for the investigation which the commission is conducting into the practices of the Pullman company.

It is possible by the maintenance of this informal complaint department to expedite the work of the commission to a great degree. It obviates the necessity of formal hearings in all matters which can be otherwise adjusted.

In all of its work, and particularly through its informal department, the commission has endeavored to make itself the implement through which the people of the state of California shall obtain full justice from the public utility corporations.

## EFFICIENCY IN ROAD BUILDING.

### HOW THE CALIFORNIA HIGHWAY COMMISSION IS ADMINISTERING THE EIGHTEEN MILLION HIGHWAY TRUST.

In California nature has been pleased to express herself in superlatives. The character of the people in the Golden State lends itself naturally to projects beyond the imagination or the courage of many other sections.

The biggest constructive work which the state has ever undertaken, and the work which will one day be the pride of every Californian, is the state highway system.

This undertaking was sanctioned and financed by a vote of the people in 1910. The act provided for eighteen million dollars of bonds, the latest maturing in 1961. The responsibility for construction under the act was vested in the state department of engineering. For the purposes of efficiency and definite responsibility, the department of engineering delegated this work to an appointive body composed of three of its own members, called the California highway commission, and to whom plenipotentiary powers were granted.

The original three commissioners appointed by Governor Johnson were Burton A. Towne, Charles D. Blaney and Newell D. Darlington, all well-known men in California, each bringing to the work a high degree of efficiency in some particular line. Mr. Towne was succeeded in January by Mr. Charles F. Stern.

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The highway problem with this commission from the beginning has largely been a labor of love, in which pride of achievement and devotion to the interests of California are paramount.

The head of the engineering department of the highway organization is Mr. Austin B. Fletcher, an engineer of international reputation, and a scientific road builder. Mr. Fletcher was for many years identified with the work of the Massachusetts highway commission in an administrative and executive capacity—a work which is today serving as a model to the pioneers in this new science. Mr. Fletcher brought to this work not only an intensive scientific knowledge of construction and its problems, but a working knowledge of California's conditions and needs, attained as head of extensive highway work in San Diego county.

The personnel of the highway organization, and the methods of its selection are unique in state work. No considerations other than efficiency and loyalty to the work have entered into the choice of a single man on the payroll. Here is no asylum for "lame ducks," or political proteges. Absolutely and emphatically the highway work is a non-political work.

Members of the engineering department from top to bottom have been chosen on their records covering their entire career. These records are a part of the permanent history of the highway commission's work. Continuance on the work and promotion have been contingent on "making good," and this rule has known and will know no exceptions.

The problem facing the highway commission was

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tremendous in size, and without precedent. Briefly speaking, under the mandates of this act, and the construction placed thereon by the attorney general of the state, it provided that

"the route or routes of said state highways shall be selected by the department of engineering and said route shall be so selected and said highways so laid out and constructed or acquired as to constitute a continuous and connected state highway system running north and south through the state traversing the Sacramento and San Joaquin valleys and along the Pacific coast *by the most direct and practicable routes*, connecting the county seats of the several counties through which it passes and joining the centers of population, together with such branch roads as may be necessary to connect therewith the several county seats lying east and west of such state highway."

The attorney general's construction of the language of the statute is enlightening.

"I consider that the main purpose of the statute was to create a state highway system, running north and south through the state, as a means of communication for the entire state, in order that the people of the north might be in touch with the people of the south and the denizens of all the country between be brought in contact. And, for this reason, I consider that portion of the statute which provides for the construction of such highways in such manner as to 'constitute a continuous and connected state highway system running north and south through the state, traversing the Sacramento and San Joaquin valleys and along the Pacific coast *by the most direct and practicable*

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routes,' as the portion of the statute which we are to treat as mandatory, and for the purpose of effecting the object displayed we must treat the balance of the statute as subordinate thereto. In other words, our main idea of the highway in considering the routes should be that it is to run north and south by the most direct and practicable routes. And, with this idea in view, the connecting of the county seats of the several roads through which the highway passes and the joining of the centers of population are but the incidents to the main idea of north and south direction by the most direct and practicable route."

In order to thoroughly understand the problem thus outlined, the commission in the earlier days of the work took the field personally with the highway engineer. By automobile they traversed the state in every direction, studying its details, with the most expert local advice and assistance obtainable, looking into every nook and cranny of the great state of California in order that the intent as well as the letter of the law should be observed. In this way, the commissioners covered nearly seven thousand miles and gained a first-hand personal knowledge that has made an effective routing policy possible. Contractors and local committees are every day amazed by the commissioners' personal knowledge of conditions and problems in various widely separated localities.

It was very early seen that a consistent policy in accordance with the law would be at times at variance with local interests. Necessarily, a state-wide policy must be maintained. In fact, there was more at stake than even a state policy. Oregon is coming

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down in 1915 over the Siskiyou mountains to the California line with a paved state highway. Governor Lister of Washington was elected on his record as a scientific advocate of state highways, and joins in the movement. The California trunk lines, therefore, north and south through the interior valley and along the coast route become integral links in a tri-state chain by which the entire land traffic of the Pacific coast will be routed over the California state highway, to the inestimable and permanent benefit of every portion of the state.

With this in view, the routing policy of the commission has been rigidly adhered to with the idea that it would furnish the back-bone for county systems of good roads yet to be built and that it would stand as a model, and an incentive for such roads. In the end this will develop into a state-wide network of roads that will carry the commercial life-blood of the state in every direction through great arteries of commerce, to nourish and develop commercial centers where nature intended they should be developed.

Local conditions and needs have been observed insofar as such observance was possible, under the three great rules: first, the mandates of the act; second, the money available, and third, the broad policy of the work.

By systematically avoiding railroad crossings wherever possible, the commission has tried to make the roads safe. For instance, in three counties in the northern part of the state, thirty-four hazardous crossings were eliminated. In the southern part of

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the state, in one short stretch of road, eleven crossings were eliminated, where heavy fogs at times make it almost impossible to see an approaching train. The dangerous Casitas Pass road in southern California; the heavy 25% grades of the Santa Cruz mountains; the Sacramento canyon in northern California, will all be replaced by safe roads, with broader curves and low grades not in excess of 7%.

It is a significant fact that when the routings have been definitely determined in accordance with the far-seeing policy and mandates of the act and the best engineering skill available, the several counties involved have acquiesced in the decision of the commission and have almost without exception come to see its justice and wisdom. It is no small thing to be able to say that the great trunk lines of the California highway system have been routed without fear or favor where the law of natural conditions has demanded that they should be routed, and that this policy has not known a single deviation.

In the measuring of this problem some very significant facts were immediately apparent. In brief, the highway commission had at its disposal \$18,000,000 to build a state highway system, specifically directioning the construction of approximately 2700 miles of roadway. Expert engineers and road builders who looked over these requirements placed the cost of such a system at from thirty-five to fifty million dollars. How well the highway commission is succeeding with eighteen million dollars makes an interesting story.

The last dollar of the bill for this system will not  
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be paid until 1961. The state has mortgaged a generation and a half for this work. There is more at stake than the expenditure of this eighteen million dollars. The entire policy of road development in a state which can profitably spend five times this money in developing its resources and displaying its advantages hangs in the balance. If this fund is efficiently invested, the future of this movement is assured. If it is not so invested—if it does not deserve and does not receive the sanction and commendation of the state whose work it is, then California will enter the “dark ages” of road construction and forfeit the opportunity that is now hers.

The commission appreciates to the full the weight of this responsibility. It appreciates that as these roads will not be entirely paid for until 1961, then they must be in existence as practical roads in 1961. The investment therefore must be permanent and the roads practically everlasting.

A consideration of the problem of adopting a type of construction to meet this need is interesting. Road building is not an exact science. Indeed, as generally practiced by the counties of California, nothing could be further from an exact science. A permanent road construction can reach practically any cost. For example, the highest type of road construction suggested, consisting of well-made grade and sub-grade, covered with a concrete pavement, on top of that a cushion of sand and asphalt, on top of that a layer of vitrified brick, to be in turn covered with another cushion to absorb the wear and tear of traffic, is probably the ideal construction. Inciden-

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tally, this costs in the neighborhood of \$35,000 per mile. With such a type of construction adopted by the highway commission, only a single trunk line between San Francisco and San Diego would be possible. The balance of the state would have failed to participate in the benefits of the act through such participation is mandatory. The comments of the uninformed, and those who deliberately misrepresent along this line, are ludicrous in the extreme.

It was decided to give primary attention to the engineering problems and to the drainage, sub-grade and base, thus building a highway, the cost of which would not be lost when in future the state should desire to expend additional money in road improvement. In other words, the commission proposed to build a road which would not need to be torn up to be replaced by a better type of construction, but which might be supplemented later in the course of maintenance without loss of present expenditure.

The commission and the state highway engineer were united on a type of road having a firm, solid, well-drained sub-grade, with a solid base, perfectly concrete, and a good, heavy asphalt or concrete asphaltic surface as the most permanent and satisfactory road to build, but this would have cost for the work contemplated about \$16,000 per mile—a figure absolutely prohibitive with the \$18,000,000 allowed.

It was determined that a well laid out roadway, with a grade not in excess of 6% anywhere from Oregon to Mexico, except for a few thousand feet

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where a 7% grade is necessary, well drained and with durable concrete culverts, with a hard cement base, laid upon a well compacted sub-grade, and covered with a bituminous surface which will be supplemented in maintenance, was possible under the provisions of the act.

By an expenditure of approximately \$8600 per mile, allowed for the main roads, more than 90% of the total expenditure will have been spent towards the ultimate construction of the \$16,000 a mile type, thereby through the present policy saving a heavy future capital expenditure.

The commission and its engineer realized the bearing of climatic conditions so widely differing in the empire state of California, and that a type of construction that would be successful in the extreme heat and dry climate of the San Joaquin valley might be less practical in the temperate climate and extreme rainfall of Humboldt county.

The commission has been "from Missouri" on these matters, and that its adopted type of construction is right, in every sense of the word, will be triumphantly demonstrated as the years go by.

Several types of construction are used in the system, varying according to the traffic needs and conditions of the country traversed. In the mountain roads, most careful attention is given to drainage and the safeguarding of the roadbed by providing ample culverts to divert and control storm waters. Water-bound macadam and oil macadam construction are utilized, but the trunk roads generally will

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be of concrete base construction with a bituminous protective surface.

As a matter of fact, the soundness of this engineering policy has already been demonstrated by the tremendous storms that have recently swept over California when great damage was wrought to thoroughfares of every description. Railroad trunk lines that have stood for a generation, expensive bridges, masonry that seemed as eternal as the hills, traction lines upon which millions have been spent, were all involved in the general wreck.

The California state highway construction, although in its infancy, has suffered a smaller percentage of damage than any of these and came triumphantly through this supreme test. In many instances the new state highway has been the only avenue for travel during this period; a fact that has proven conclusively the wisdom of the engineers in choosing the route, and the wisdom of the commission in determining upon the type of construction.

With this type of construction adopted as the cheapest and most practical form of permanent construction, it was easy to see that the mileage demanded by the act could not be constructed within the limits of the \$18,000,000 bond issue alone. The business efficiency and adroitness of the commission in augmenting this fund stands without a peer in the history of public enterprise. The policy the commission adopted for this end may be briefly expressed as follows:

1. To prevail upon all counties to pledge themselves to procure all rights of way and construct all

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necessary bridges for the state highway in their various jurisdictions.

2. To lay out the entire system of trunk roads and laterals in accordance with the mandates of common sense, the state highways act and the opinion of the attorney general by "the most direct and practicable routes."

3. To organize every department under the commission on a merit and efficiency basis, in line with the promise and the efforts of the administration to apply clean, practical, business methods to the management of public affairs.

4. To declare that the state will step into the breach and defend any contractor in the courts, without cost to him, against any suits for damages or royalties for the invasion of real or alleged rights under paving patents.

5. To make definite arrangements with the various railroad companies for a special reduced freight schedule for all road building materials, equipment, etc., transported for the construction of the state highway.

6. To enter into contract with the lowest bidders for a vast wholesale supply of crushed rock, gravel, etc., by the definite terms of which these materials should be supplied to the state far below the price usually paid by contractors on other public or private works.

7. To propose to the cement companies to place large orders for cement to be delivered and paid for within a stated period, and demanding their closest

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estimates in consideration of such guaranties of large orders, positively placed and promptly paid for.

8. To let contracts for construction of the state highway in ten mile units, and give all contractors the benefit of the reductions in freight rates, and first cost of rock, gravel and cement under the aforesaid arrangements with transportation companies and material men, thus affording the small contractor as far as possible an equal chance with the large contracting concerns.

9. To maintain a testing laboratory, and scientifically examine and prove according to established standards all rock, sand, gravel, cement, asphalt, oils, etc., that may be used in state highway construction.

Almost without exception, the counties when brought to realize the benefit to themselves by the work contemplated have co-operated with the commission by furnishing bridges and rights of way at a saving to the state at large of fully \$4,000,000. The saving to the counties themselves fully justified this expenditure on their part, as the roads and bridges thus built become the permanent property of the state and are maintained for all time by the state, relieving the counties of a tremendous and never-ending maintenance expense.

Transportation companies were asked for favorable rates. The companies conceded that every dollar that California spent in permanent improved roadways meant additional freight and passenger traffic for the railroad lines and warranted their co-operation and support. A published one-half rate for material and supplies used in the state highway was the result

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—a saving to the state which runs well into seven figures.

To cement manufacturers, rock men and other purveyors of supplies, the state has gone with another argument: that its tremendous buying capacity, the absolute surety of payment, and the resulting increased capacity of the manufacturers' plants and consequent lessening of overhead expense, warranted the placing of the state upon a preferred basis as a buyer. In this way, cement is costing the state far less than the current market price, and other supplies in proportion; an aggregate saving which has augmented the fund to the extent of probably \$2,000,000.

It is necessary that the state should have absolute control over its roads wherever built. This was not possible in incorporated towns and cities. Accordingly, highway construction has not been undertaken within city limits—another saving in mileage, and in cost exceeding \$3,000,000.

At all times the overhead expense of the organization itself has been subjected to the most rigid scrutiny. An esprit de corps has steadily grown throughout the organization that is expressing itself in a saving to the public. One of the leading American authorities in scientific business management volunteered high praise after an examination of the highway commission's method of organization. "The California highway commission has the most nearly perfect organization that I have ever seen," said he to a newspaper reporter, following his examination of the commission's system. "It is an example of re-

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markable efficiency." In brief, for every \$100 expended by the commission, less than \$10 is spent in overhead expense, in which is included every form of expenditure outside of actual construction,—survey, engineering, salaries, general expense, mapping, etc. Out of every \$100 expended by the commission, over \$90 is expended in permanent road construction. The highway commission challenges any public or private enterprise of kindred nature anywhere in the country to produce a record of economical, efficient administration that will compare with this.

By these various expedients and by a most careful and conscientious attention to the work at hand, the \$18,000,000 provided by the act have been stretched to cover at least \$30,000,000 of road construction,—an example of business efficiency which deserves and will receive the commendation of the people of California.

"The best laid plans of mice and men gang aft aglee," runs the old Scotch maxim.

The administration of a plan so far-reaching and so tremendous might easily negative the desired results. It was necessary to follow that plan down to its very minutest details to insure the honest, efficient expenditure of the money in the work itself; and the safeguarding of the state against the introduction of inferior materials and inferior work by the contractors. In order that the best materials, at the lowest price, might go into the job, the commission has let contracts for construction only, and has furnished to the contractors all materials that enter into that construction.

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A rigid system of inspection tests and reports has been inaugurated and followed up to ensure the proper performance of the work contracted. The interests of the state financially have been amply protected on these contracts in two ways—by withholding 15% of the money due the contractor at all times until the job was finally completed, satisfactorily inspected and accepted as a part of the state highway; and secondly, by demanding that the work be done under a good and sufficient surety bond.

The commission has never hesitated to refuse to accept work which has not been in accordance with specifications. Here again the misinformed and those who deliberately misrepresent have been led astray. They have represented that certain portions of the work done under the state's specifications have failed and that these instances constitute an unanswerable indictment against the accepted policy and the character of construction of the highway commission. Pieces of work which have been condemned by the commission's inspectors, stand not as a loss to the state but to the contractors or their bondsmen.

One of the most conspicuous examples of this is the five or six miles of state highway south of Healdsburg, in Sonoma county, and it is well that the circumstances connected with this piece of road be well understood. This is part of the contract let to Richard Keatinge & Sons, who failed while the work was in progress. The contractors themselves deliberately tore up and replaced 700 feet of work which they realized was too "raw" to be accepted. A rigid examination of the rest of the road by means

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of test holes, made by the commission's inspectors to determine the thickness and character of the concrete pavement, has led to the condemning of a large portion of this construction. When weather conditions are favorable, this faulty construction will be torn up and replaced by permanent construction. Not one dollar of this expenditure falls upon the state, for the work is paid for partly from the 15% retention fund and the balance collected from the bondsmen of the contractors.

This policy knows no exceptions.

The duties of the highway commission have been much more extensive and onerous than contemplated by the act. In October, 1910, because of a world-wide financial depression, low interest bonds became unattractive to buyers. The state highway bonds, bearing 4% interest, at that time became unsalable in the open market, and have so remained up to this time. Construction work of every description apparently was about to be necessarily abandoned.

Time, however, was to a considerable degree the essence of the highway act. The exposition of 1915 loomed large as an advertising possibility in such sections as could be reached by the state highway, and construction during this period was more important than at any other time.

Accordingly, the commissioners took upon themselves the working out of details for financing construction.

By arousing patriotic support among the banks, private individuals, boards of supervisors, etc., in the several counties, nearly \$6,000,000 of highway bonds

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were sold. In each instance the commission promised to expend the money raised in the county upon highway construction in that county, in accordance with the original mapping of the routes.

This has made construction necessarily somewhat halting and fragmentary, but this has not been allowed to have any bearing upon the ultimate cost of the completed system.

It is a tribute to the entire scheme of the work that this result has been accomplished at a time when large corporate enterprises the world over were practically at a standstill.

It has only been accomplished after a rigid investigation of the policy and the adopted form of construction by the commission. Before boards of supervisors have acted, they have sent their engineers to examine into the nature of the work, and without exception such examination has resulted in the hearty co-operation of the inquiring county.

The people of California have reason to be proud of the manner in which its highway commission has guarded their interests, augmented their funds and introduced efficiency and honesty in every dollar of their expenditure. In two and one-half years, under adverse financial conditions, and in the face of a gigantic undertaking, without precedent to serve as a guiding light, a tremendous work has been accomplished.

The job has been thoroughly measured in every detail.

A policy in accordance with the law, and in ac-

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cordance with business sense, has been adopted, and has withstood triumphantly every assault.

An organization has been perfected, which for efficiency and economic working, stands without a peer in the field of either public or private enterprise.

A character of construction in accordance with the needs of the country has been selected, and its worth and fitness is already triumphantly demonstrated.

Approximately 2000 miles of the state highway system have been surveyed by the engineering force. The engineering work for approximately two years in advance is in final shape.

Approximately 450 miles of construction has been completed, contracted for, or authorized.

The work is being prosecuted as rapidly as finances and contractors' facilities will permit; and the middle of the exposition year will see California in possession of a state highway system sufficiently far along to be of tremendous value to the state in displaying its resources to our visitors.

This is a constructive enterprise in which no small amount of foresight is necessary, in order that the future development of the state in population and in commercial enterprise may be assisted and permanently served by a comprehensive system of roads.

If loyal service and an integrity that has never been challenged, business efficiency that is stretching the funds of the state by tens of millions, an ability that is expressing itself in a character of construction that is making enthusiastic supporters wherever examined, and an untiring vigilance where the interests of the state and its people are concerned—if

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these things warrant the sympathy and support of the people of California, whose work this is, then the pioneering work of California's first highway commission will go down through future years as a monument to the things that can be wrought where brain and heart and conscience all co-operate for the common good.

## WORK OF THE STATE HARBOR COMMISSIONERS.

### GREAT IMPROVEMENTS ON THE WATER FRONT, REVENUE INCREASED, AND WHARFAGE RATES REDUCED.

The progressive administration has done much valuable service to the people, and particularly to the business community, through the work of the board of state harbor commissioners of San Francisco.

The situation that existed prior to the progressive administration was clearly depicted in a recent report of the harbor board:

"Nowhere in the administrative branch of the state government was the malign influence of that dominating corporation more conspicuously illustrated than in the condition and management of the San Francisco harbor. For over forty years, with infrequent intervals, not long enough to effect much of a reform, the Southern Pacific practically owned and operated the water front, and used it as a private piece of business property for the advancement of its own political and business interests.

"The evils of such a monopoly could not be set out in the limits at our command, though few things could be of more vital interest to the material advancement of the people of the state than a full knowledge and appreciation of the blighting effect of the control of the harbor and commerce of San Francisco bay, which is the greatest single asset owned or possessed by the state of California, by a gigantic railroad system, which had a direct interest in the cramping and dwarfing of harbor development."

The present board, consisting of J. J. Dwyer,

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Thomas S. Williams and J. H. McCallum, has managed and operated the harbor of San Francisco without regard to special interests but for all the people and for the entire state of California. The harbor of San Francisco is self-supporting. The harbor commission, and the work done under it, as Governor Johnson said in his biennial message to the legislature of 1913, represent, not only shippers in the city of San Francisco and vicinity, but represent the entire state, and particularly the great valleys of the state, which bring into the city of San Francisco, and over the wharves that are owned by the state of California, a tonnage annually of millions of dollars.

The present board of harbor commissioners, as the governor stated in that message, is the most efficient that has yet administered the affairs of the harbor. Its work has been undertaken upon a greater scale than ever before because it is making the effort in a short time to provide for the opening of the Panama canal, and the contingencies that will then confront it. This work should have been in contemplation many years in the past, and should not have been left until the last moment for its completion.

### INCREASED RENTALS.

When the present board assumed office the water front had long been used mainly for the support of adherents of the old political machine. The transportation companies occupying the Ferry building paid grossly inadequate rentals which had been fixed

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by themselves. Most of the wharves were dilapidated. Immediately the progressive board of harbor commissioners appointed a committee of real estate experts to determine how much rent the transportation companies should pay for space in the Ferry building. This committee recommended increases in rentals amounting, in round numbers, to \$137,000 per annum, and on October 1, 1911, the new rentals were put into effect. The money thus derived enabled the board to make extensive and necessary repairs to the wharves, and to extend and improve the Belt Railroad and to purchase additional equipment.

### COMPETENT EMPLOYEES.

Inefficient employees who had been appointed for political services to the machine were dismissed and all places of responsibility were filled by competent men. Those opponents of the progressive administration who are acquainted with the situation on the water front will admit freely that there has been a notable improvement in the personnel of the employees.

### REDUCED WHARF RATES.

Almost immediately after assuming office, the progressive board made a reduction of ten per cent. in the regular wharf assignment rates, which meant a saving of five cents per lineal foot per month to the shipping companies who have regular berths.

### SEVEN NEW PIERS.

Seven piers, of the most modern character, and capable of accommodating a large number of ships,

## *Work of State Harbor Commissioners.*

and a great volume of freight, have been either constructed, or are in course of construction since the progressive administration took charge of the water front. The total estimated cost of these piers amounts to \$3,800,000. Never in the history of the water front of San Francisco has wharf construction been carried out so extensively in so brief a period. In all cases of new construction the board furnished the cement on the contracts, the cement being separately contracted for.

### UNION STREET PIER.

Pier 17, at the foot of Union street, was completed at a cost of \$263,000. It is 800 feet long by 126 feet wide, and is equipped with a railroad track on the north side. Ships can load directly into cars. The wharf rests on wooden piles, protected by concrete cylinders, steel I-beam caps protected by concrete and a wooden deck. The shed is also constructed of wood. Including the installation of the wood block pavement, steel rolling doors for the shed and other incidentals, not incorporated in the contract, the total cost of this wharf was \$286,000. The best engineers advised that it was necessary to use wooden piers, instead of concrete, in this construction, by reason of the great depth of the mud at that point.

### BRANNAN STREET WHARVES.

The next wharves completed were piers 30 and 32, at the foot of Brannan street, which are connected by a wharf 220 feet by 200 feet. The outside berths

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on these piers average 750 feet; the inside berths 550 feet. They are, like the connecting wharf, 200 feet wide. Both are constructed of reinforced concrete cylinders on hard bottom, with concrete beams and deck. The sheds are of timber with steel outer columns, tracks for electric cranes, ship towers and telphers. Each wharf is provided with two spur tracks, connected with the Belt Railroad, one track on each wharf being depressed and the other level with the surface. The total cost of these piers, including cement, wood block pavement and steel rolling doors for the sheds was approximately \$1,232,000. The wharves are now in commission.

### BRYANT STREET PIER.

Pier 28, at the foot of Bryant street, has been completed. The wharf is 676 feet long and 150 feet wide, and is constructed of reinforced concrete cylinders, having a reinforced concrete deck and shed. This wharf also is provided with two spur tracks, one on the surface and one depressed, connected with the Belt Railroad. The total cost, including cement, wood block pavement and steel rolling doors for the shed, was about \$460,000.

Another completed wharf is pier 26, between Bryant and Harrison streets. It rests on reinforced concrete cylinders on hard bottom with concrete beams and deck. The shed is of timber with steel outer columns, tracks for electric cranes, ship towers and telphers. The wharf is 765 feet long and 250 feet wide with a spur track on each side, one de-

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pressed and one at grade. The total cost, including everything, was \$608,000.

### WORK UNDER CONSTRUCTION.

Pier 39 at the north end of the water front was, at the beginning of this year, 63 per cent. complete. The wharf will be 908 feet long and 140 feet wide. It will be equipped with two spur tracks, and will cost \$436,400.

The contract has been awarded for pier 46, at the foot of Second street. The contract price is \$146,215. This wharf, owing to the unusual depth of mud at that part of the water front, will be of timber on creosoted piles with a one-story shed of timber. It will be 800 feet long and 200 feet wide, with a section of bulkhead wharf 200 feet long by 60 feet wide. There will be a flush railroad track on the south side and a depressed track on the northern side.

In addition to all this work actually done, plans and specifications have been completed in some cases, and are under way in others, for the construction of eight additional piers, all to be of the most modern type, and equipped with the most modern appliances.

### NEW IDEAS ADOPTED.

A new feature has been introduced in the construction of certain of these piers by building them at an angle to the seawall. The United States government has placed the pierhead line at a distance of 800 feet from the seawall, beyond which pier construction is prohibited. The effect of inclining

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the piers at an oblique angle to the seawall will be to permit of piers ten and eleven hundred feet long, needed for the accommodation of mammoth ocean liners, and, it is believed, that a new fan-shaped arrangement of the ends will make navigation on this long curve of the harbor line easier and safer.

The board in the construction of the new piers has inaugurated a radical departure in compliance with the insistent demand of the larger shipping interests by making most of them 200 feet wide. A few of the wharves constructed in recent years were made 140 feet wide. The older ones were mostly from 80 to 100 feet in width. Piers 200 feet wide will permit of operating the wharves with steamers on both sides simultaneously, an advantage impossible on narrower piers, where the large cargoes of one modern steamer would take up all the space. Increased width thus results in economy of water slip space between the piers. It has also been decided to make all the water slip spaces between piers much wider than formerly, from about 225 to 250 feet, in order to accommodate the larger modern vessels and facilitate safety and ease of navigation and keep both sides of all piers busy simultaneously.

To replace the wholly wooden piers known as Nos. 5, 6, 8, 11, 14, 15 and 16, the board contemplates erecting new piers of a modern character as soon as practicable. These old piers are rapidly falling to pieces, through age and the action of the teredo and limnoria, very destructive marine borers, but they must be kept in commission and necessary

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repairs made in order to serve the present and ever-increasing demands of commerce until some of the additional new piers are built, when they will be successively eliminated.

Three of the existing wharves, Nos. 9, 11 and 12, have been widened by the board and the Belt Railroad runs on to them, with most gratifying results to the users of the wharves and a great increase in business to the port. Contracts have also been awarded for widening and repairing, with new creosoted piles, piers Nos. 25 and 27. A railway spur track will be built on each. The contract for pier No. 25 was awarded to the San Francisco Bridge Company, and for pier No. 27 to the Healy-Tibbitts Construction Company. The price of the former is \$12,766, and the latter \$14,239.

### OTHER WORK PROJECTED.

The board also contemplates the construction of four additional piers to project from the seawall along the China basin lease to the Atchison, Topeka & Santa Fe Railway Company. Under the terms of that lease, whenever a continuous seawall is constructed from the Ferry building, at the foot of Market street to Channel street, and with the construction of a bridge across the mouth of the channel, the state thereupon becomes entitled, as a right of way and thoroughfare, to a strip 100 feet wide along the bay-front of the China basin leasehold, and to other incidents, and only on the completion of such continuous seawall and bridge is the board author-

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ized to construct piers from this portion of the shore line. Contracts have been let to the Daniel Contracting Company for the construction of the remaining two sections of the seawall, to be known as sections 9-A and 9-B, totaling 1760 feet, and costing \$500,000, and on January 1, 1914, the work on section 9-A was 22 per cent. complete. When the work is fully completed there will be a continuous seawall and the board will, therefore, be in a position to avail itself of its rights to the China basin water front, and call for bids for the four additional piers.

The board was left a vexatious problem to solve by their predecessors in regard to pier No. 54, built for and occupied by the Santa Fe railway company. Through an unfortunate error in judgment by an engineer of the former board, a large area of rock alongside and adjacent to this pier, and protruding high above the depth of bottom-level required by our law and regulations, was not blasted out, or the blasting commenced, until after the pier was far under the way to completion. The result was that a ledge of rock has been left alongside the northern side of the pier, about six feet wide, two hundred feet long, and thirteen feet deep, which could not be blasted out without endangering, and perhaps destroying, the supports of the structure. The pier was completed by the previous board and the ledge allowed to remain, thus preventing the use of the north side of the pier by deep draught steamers, for which the pier was intended. Various engineering

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expedients were suggested and tried, such as chiseling, but without satisfactory result. It was finally decided to widen the wharf by twelve feet so as to cover the ledge, and the necessary plans and specifications have been completed and bids ordered called for on January 22, 1914.

The construction of piers Nos. 29, 31 and 33 will necessitate the removal of the car ferry slips at Lombard street, and plans and specifications have been adopted for two new car ferry slips to be located between Powell and Taylor streets.

### **FIVE NEW FERRY SLIPS.**

Owing to the steady increase in the trans-bay passenger traffic in recent years it has been found that the present seven ferry boat slips at the foot of Market street are inadequate to meet the demand put upon them. As a result five new ferry slips have been planned by the board, three to the south and two to the north of the present system, and bids for slip No. 8, on the south side, were ordered to be called for on January 22, 1914. Slip No. 7 will be rebuilt and put on a line with the others. Two of the existing wooden piers, No. 3 at the foot of Clay street, and No. 4 at the foot of Mission street, will be pulled out to make room for the projected new passenger ferry boat slips. It is also contemplated to construct a viaduct leading from the second story of the Ferry building and branching to the sidewalks on each side of Market street. This will go

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far to relieve the congestion on the ground floor and to insure greater safety for pedestrians.

### BELT RAILROAD CONNECTION.

An important improvement made by the board was connecting the southern and northern divisions of the Belt Railroad by a connecting link of half a mile crossing Market street. The board's predecessors had considered the matter, but to them insurmountable obstacles seemed to be in the way. The present board, however, soon found an easy and simple way of solving the problem and on March 29, last, the formal opening of the connecting line took place. The total cost of the work was in the neighborhood of \$65,000. The connection has done away with the laborious and costly system previously in vogue of carrying cars from the one division to the other on a freight ferry boat operated by the Southern Pacific Company at a cost of from \$11 to \$15 per car. The saving to shippers by this junction will be enormous, and will grow proportionately with the increase of commerce, the cost of crossing having been reduced to \$2.50 per car.

The extension of the Belt Railroad to the United States transport dock beyond Fort Mason, at the foot of Van Ness avenue, was a subject that appealed to the board and action was promptly taken to carry out the project. Plans and specifications for the extension have been completed and the contract will be let as soon as funds are available. The length of the extension is  $1\frac{1}{8}$  miles, of which 1400 lineal feet is on trestle, and 1600 feet in concrete

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lined tunnel under Fort Mason military reservation. Incidentally the Exposition grounds will be served by the extension. The tunnel project was authorized by the last legislature.

The contract has been awarded to Tieslau Brothers for the erection of a reinforced concrete round house, containing engine house and shops for the Belt Railroad locomotives, at a cost of about \$20,000, and the work of construction is going on.

### CONTRACT SYSTEM OF REPAIRS ABANDONED.

Until October 7, 1911, repair work to wharves was done *under contract*, which proved to be costly and unsatisfactory in many ways. Since that time the regular repair work has been done by *the board's force, which is more satisfactory and more economical*. The electrical department has been kept busy making improvements, and as a result the installation is now decidedly more efficient and economical and less dangerous. In this department the lights along East street were improved by the placing of twenty lamps between the chief wharfinger's office and pier No. 11, and twenty-four lamps between piers No. 34 and No. 44, the poles being of the department's own design. The lower gangway in the Ferry building was improved both in appearance and safety, by a systematic arrangement, in accordance with the rules, of the wiring of the different companies as well as the department's own wiring. Tungsten lamps were in a number of cases substituted for arc lights, resulting in a saving. A system

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was established by which the main office is kept informed if the different fog bells are ringing and a system of signal lights has been placed in the Ferry building by which it can be determined whether or not the lights at the ends of the dolphins are burning.

### **DREDGING KEPT UP.**

The dredging has been kept well in hand, the principal work having been the removal of the material which is constantly being deposited in the slips, brought down to the bay by the rivers.

## RECLAMATION WORK AND FLOOD CONTROL.

### HOW THE PROGRESSIVE ADMINISTRATION IS SOLVING THE FLOOD PROBLEMS OF THE SACRAMENTO AND SAN JOAQUIN VALLEYS.

The progressive administration, under Governor Johnson, was the first administration to endeavor seriously and on an adequate scale to solve the flood problems of the Sacramento and San Joaquin valleys. It is, of course, true that the progressive administration did not provide the plan, so far as the engineering details go. That had already been done, but that plan was being very seriously interfered with and would in a short time have been rendered almost impossible to carry out save at extraordinary expense, by the fact that private reclamation was pushing districts and the construction work throughout the valley, which would have blocked the consummation of the general plan. Districts were being leveed within overflow channels and projected by-passes and this work was proceeding so rapidly that in a comparatively short time it would have been necessary to condemn a large quantity of reclaimed lands at most exorbitant prices, in order to carry out the general plan.

There was no authority, either in state or nation, to prevent such a result. But the progressive administration at the critical moment secured formal adoption by the state of the project and created in the

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reclamation board machinery through which the plan could be practicably carried out.

The reclamation board appointed by Governor Johnson consists of V. S. McClatchy, president, Peter Cook of Rio Vista and William T. Ellis of Marysville. The work of the reclamation board, if carried to an early completion, and there is no reason why it should not be, will be a lasting monument to the progressive administration. It will reclaim practically two million acres of land of the richest character, which will inevitably be very thickly populated and will produce enormous wealth. Mr. V. S. McClatchy, president of the reclamation board, published in the Sacramento Union of January 4th, 1914, a report of the "California Flood Control Project," which clearly and fully sets forth the importance of the flood problems in the Sacramento and San Joaquin valleys, the solutions proposed and the steps taken by the progressive administration to provide the necessary funds and enable the work to be done. Mr. McClatchy's article, which tells the whole story, is here-with reprinted in full:

### THE CALIFORNIA FLOOD CONTROL PROJECT.

(By V. S. McClatchy, president of the state reclamation board.)

In response to the question: "What is the flood control project and what has the state board of reclamation to do with it?"

To command immediate and absorbing interest on the part of a Californian it is only necessary to state what the flood control project is intended to accomplish and to add that engineering authorities are now

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agreed that it is the only practicable plan by which the object sought can be attained.

There are in the Sacramento and San Joaquin valleys one and three-quarter million acres of land below the present flood plane that are subject to possible injury by floods. There are no richer lands in the world. The soil is usually a very deep alluvial deposit, sometimes a clay covered by a layer of the fertile river silt. The soil will grow anything that will mature in the wonderful climate of California, and has, when reclaimed, a value based upon that fact.

Of this entire acreage there may be 500,000 acres that are under reclamation more or less expensive and more or less secure. No district included in this acreage is absolutely safe from overflow, while neighboring districts succeed in keeping out the water. There are perhaps 250,000 acres in process of reclamation, induced thereto by promise of a comprehensive plan of protection and the creation of a power to enforce compliance with that plan. There are a million acres which unless a plan of the kind is actually carried out, must remain permanently useless, save for summer pasture or an occasional summer crop.

To safely and permanently reclaim that entire 1,726,000 acres of rich land, to secure and maintain conditions under which the water at every point in the river channel can attain a maximum fixed height and never go higher; to put an end to waste of money in running up levees to keep above an ever-rising flood plane; to stop annual loss of property following in the wake of the flood waters; to cover that fertile empire with a population of hundreds of thousands of people who can be supported thereon in comfort and luxury; to add to the state's resources the wealth that will flow from continuous intensive cultivation of the land; and incidentally to permanently restore the

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navigability of the rivers (which no other plan can accomplish) and thus assist in developing the valleys and saving freight charges to the inhabitants—these are the purposes of the flood control project.

The state reclamation board is an instrumentality created by the state of California to hasten the successful completion and operation of the great flood control project; to assist the United States by doing those things, in connection therewith, which are not within the federal government's province; and to enforce on the part of land owners and citizens of the state compliance with the conditions thereof. For it is agreed that in the California problem, navigation, flood control, care of mining debris and reclamation are so interwoven that they cannot be economically or practically treated separately.

For fifty years reclamation in California has been a matter of the survival of the strongest financially. There has been an interminable conflict between swamp land owners and reclamation districts, based on the abstract right of each owner to protect himself as best he could against the common enemy—the flood waters. As each small holding, or unit, provided defenses for itself only, without following any comprehensive plan and regardless of the effect upon other holdings or units, protection in each instance was secured by diverting the flood waters upon neighbors. The neighbors retaliated by constructing higher levees; so with each new reclamation the flood plane was raised, the common danger increased and the cost of reclamation unnecessarily multiplied. With each man for himself, no general plan adopted and no tribunal to force all to work for the common good, many millions of dollars were thrown away in levees while general conditions gradually grew worse. Navigation in the meanwhile was most seriously injured.

The problem lay in the fact that the tributaries of

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the Sacramento river if in maximum flood at the same time, will discharge six times as much water as the channel of the river between Sacramento city and Suisun bay can carry. No height or strength of levee practicable can confine such a body of water to the channel. It becomes simply a question of where the levee will break and whose property will be destroyed that safety to the rest may be secured. It must be remembered, too, that any break in the east levee of the Sacramento below Sacramento city pours the floods across into San Joaquin county, doing immeasurable damage in the delta of the San Joaquin river.

The solution unanimously approved, after twenty years' investigation, as the only one practicable, is the by-pass plan—the flood control project. The channel of the Sacramento river is to be forced to carry all it safely can; and excess waters above an established flood plane are to flow over weirs and through by-passes in the adjoining basins down to a junction with the river at Rio Vista, whence a widened and deepened channel will carry them to the bay. This plan, definitely outlined by the United States engineers, composing the California debris commission, in the report of 1910, and modified as to apportionment of the cost by the supplemental report of 1913, has been formally adopted by the state of California, approved by the board of engineers for rivers and harbors and recommended to congress for adoption. As a matter of fact a joint appropriation by the state and nation of \$800,000 is now being expended in opening the mouth of the river between Rio Vista and Collinsville under this plan. Formal adoption and additional appropriations are being now urged on congress.

The California legislature of 1911, special session, created the reclamation board, and the following

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legislatures largely increased its powers and duties, in order that the flood control project might be speedily carried to a successful conclusion. All reclamation plans must conform to the general project, and to that end, they must be first approved by the reclamation board. In addition it is clothed with arbitrary powers and may order the construction and maintenance of any levee necessary for general protection, may itself construct such works, may condemn lands for by-passes and construct the retaining levees therefor, and may levy assessments upon the lands benefited thereby to meet these expenses.

The original act placed under the jurisdiction of the board all the lands below the flood plane and north of the San Joaquin river—about 1,250,000 acres. The act of 1913 added, at the request of the interested property owners, half a million acres in the San Joaquin valley. The acreage in the so-called Sacramento and San Joaquin drainage district now extends through fourteen counties, from Chico almost to Fresno. In addition, the board has been given control of reclamation work on all tributaries of the Sacramento and San Joaquin rivers and power to prevent the diversion of any stream that will increase the flow in the Sacramento or the San Joaquin.

The board acts upon the recommendation of the California debris commission (composed of federal engineers), of the state engineer and of his assistant, the flood control engineer, and after public hearings in which all interested property owners may appear. There is thus secured harmonious co-operation between nation, state and private owners.

In the interests of navigation the nation is to pay half the expense of rectification and dredging the river channel, opening the mouth of the river and construction of weirs; the state pays the other half of these expenses; the property owners are to pay,

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through private reclamation and assessments levied by the board, all other expenses, including cost of rights of way for by-passes and construction of by-pass and river levees. The estimated expense to be paid by the federal government and by California under this plan is \$5,800,000 each. The expense to the land owners under the original estimates was \$22,000,000. The amount will largely exceed that because rights of way and levees will cost very much more than is provided for in those estimates.

The flood control project as reported to congress in 1910, was tentative as to details, and is subject to such modifications as may be made by the reclamation board under recommendation of the federal and state engineers. The board has already changed the location of the Yolo by-pass, moving it in places 5000 feet to the west, and has widened it; has widened the American river overflow channel; has moved the Sutter by-pass from the center to the eastern side of the basin. It will probably have to give the Sacramento weir and by-pass an increased capacity of 50 per cent. because of the facts recently ascertained as to the flood waters carried by the American river in 1861-2. It has established in the various basins the new flood plane necessitated by changed conditions and to which all reclamation work must conform.

Under the board's approval much of that portion of the project which must be done and paid for by the land owners has already been accomplished. The east levee of the main Yolo by-pass—forty-two and a half miles long—will be completed in 1914 with the closing of the west levees of the Netherlands and Mull-Merkley districts, now under way; the east levee of the main Sutter by-pass from Nelson bend to the mouth of the Feather is already constructed in the west levee of the Natomas district; the west levee of the Sutter by-pass from the mouth of

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the Feather to the latitude of Tisdale weir, and the south levee of the Tisdale subsidiary by-pass, are now being constructed by the Sutter Basin Improvement company, district No. 1500, and will be completed in 1915. These pieces comprise between one-third and one-half of the main by-pass levee system. Work on the balance will undoubtedly be commenced within the next two years, either by private enterprise under the board's approval, or by direct order of the board.

The Knights Landing ridge canal, designed to carry the flood waters of Colusa basin into the main Yolo by-pass, is being rapidly pushed, and will be completed in 1914.

Sacramento city has bonded herself for \$500,000 for purchase of rights of way and levee construction in connection with the opening of the Sacramento by-pass, and if congress will make this session the appropriation asked for weirs, work on this by-pass can commence in 1914.

The federal government is steadily pushing its share of the work in widening and deepening the mouth of the river between Rio Vista and Collinsville, under joint appropriations from congress and the legislature. Two immense suction dredges which cost nearly \$400,000 are being continuously operated at a very large monthly expense. The channel is to be widened to 3000 feet and dredged to a depth of thirty-five feet, so as to give the capacity for the 600,000 second feet which may be called for whenever the tributaries of the Sacramento are in flood crest at the same time.

To secure the necessary data upon which to base action in these matters, engineering parties of the state engineering department and of the California debris commission have been in the field for eighteen months past. It will perhaps be two years before the

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field work for both the Sacramento and San Joaquin valleys can be completed. In the meanwhile the reclamation board is formulating its plan; preparing the great assessment rolls and platting the lands of the great district in readiness for levying assessment for work in various sections thereof; encouraging private enterprise to go ahead with units of the great project under that provision of the law which permits the return of moneys so expended; adjusting differences of long standing in reclamation matters between individuals and districts; educating the public to a realization of what the completion of the project means to the state in population, in wealth and in exports; and working towards that co-operation of all elements without which early and complete success can not be insured.

## WORK OF THE FISH AND GAME COMMISSION DURING THE ADMINISTRATION OF GOVERNOR JOHNSON.

### FINANCES.

Up to the time of the inauguration of Governor Johnson each legislature appropriated certain sums of money for the purpose of carrying on the work of the fish and game commission. During the administration of Governor Gillett the sum of \$129,500.00, and during the administration of Governor Pardee the sum of \$160,000.00 was set aside for that purpose. Under Governor Johnson's administration not one cent has been appropriated by the legislature for the work of the fish and game commission. The commission is self supporting, all of its funds being derived from the sale of licenses and the collection of fines.

Whereas under previous administration the business of the commission was practically without outside control, for the past three years all disbursements of the commission have been first authorized by the board of control and subsequently audited and approved by the said board, and in addition by the civil service commission (since Aug. 10, 1913) and by the state controller.

### RESEARCH.

The commission has prosecuted extensive investigations as to the life, breeding habits, migrating peculiarities and possibilities of artificial propagation of fish and game. The information gained forms a

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basis for legislation, and methods of propagation and production.

### EDUCATION.

The commission has taken a leading place among the fish and game boards of the world in its work in educating the public, and particularly the children, as to the value of wild life of all kinds, and in the need and value to the state of properly caring for it. For the first time illustrated lectures have been delivered by experts throughout the state, and in particular in the primary and grammar schools, in addition to which provision has been made for the teaching to the children of these subjects. Efforts have been made also to have students at the normal schools and universities informed as to the value of fish, game and birds with a view to extending and making more valuable their activities as future teachers. The commission has fostered and encouraged the formation of protective associations, the 20,000 or more members of which are pledged to the protection of fish and game. The commission has in every proper way disseminated information in regard to the fish and game laws of this state and the reasons for their being upon the statute books and for being observed.

### FISH AND GAME REFUGES.

*Game Refuges:* Under the administration of President Roosevelt an area of some 216 square miles was set aside in this state as a shelter and breeding ground for ducks and other water fowl. The various national parks within the state of California are also set aside

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as game refuges, and, following the example set by the national government, the last legislature set aside a tract of land aggregating 119 square miles in the Cleveland national forest as a game refuge.

At the suggestion of the present commission the law was amended, making it practicable for private individuals to transfer to the state of California the right to preserve and protect all wild game on their land. Under this law as amended over 30,000 acres situated in different counties have already been offered to the state as game refuges where nobody, not even the owners of the land, will be allowed to hunt. The value of these refuges lies in the fact that the game thereon will not only increase and overflow upon the adjoining lands, but also may be trapped and transplanted on districts that have been depleted.

*Fish Reservations:* Portions of several large streams in the state and large stretches of coast area, where the commission has learned from investigation that fish breed and are in need of protection, have been set aside as fish refuges.

### FISH PROPAGATION.

In the last three years the commission has propagated at its hatcheries 35,000,000 trout and 60,000,-000 salmon, being the total number of salmon eggs turned over to the commission by the U. S. bureau of fisheries. Under a co-operative arrangement with the U. S. government, all salmon eggs in California are collected by it and turned over to the commission to hatch and distribute. The commission collects all

## *Work of Fish and Game Commission.*

the trout eggs. Most of these fish were propagated at Sisson, the largest trout hatchery in the world. The trout propagation for this period is far in excess of that of any three-year period of any previous commission. With the probable increased revenues the propagation of trout by the commission should be between 15,000,000 and 18,000,000 for 1914, with a very considerable annual increase thereafter.

*Distribution of Fish:* It has been the policy of this commission to retain the young fish for a longer period than heretofore, on the theory that the larger and stronger fish have a much better chance of reaching maturity than the smaller and weaker ones. No waters closed to the public are stocked by the commission. The figures as to the distribution of fish by the present commission represent actual count. The commission has also exacted a receipt from every person in the state obtaining fish, which has not heretofore been done. Hundreds of thousands of trout, black bass and striped bass left stranded by receding waters along the coast and in the interior valleys have been transplanted to living waters. In addition, thousands of trout, including the golden trout, have been planted in hitherto barren waters in the Sierra Nevada. As a result of the distribution of fish by the commission about seventy-five per cent of the fish now caught in the streams of this state are the result of the work carried on by the commission.

*Screens and Ladders:* For the first time in the history of the fish commission active steps have been taken to install screens in ditches that were draining the streams of fish. A comprehensive sur-

## *Work of Fish and Game Commission.*

vey and map of all the streams of the state is being made which will give the location of every natural and artificial stream obstruction and water diversion in the state. A number of natural obstructions have been removed by the commission's agents, while, wherever artificial obstructions have been found the owners or persons responsible have been directed to provide suitable fish-ways from plans given by the commission. During the past two years more work on screens and fish ladders has been done in California than in all of the other states of the Pacific coast.

*Pollution of Waters:* Special attention has been given to the abatement of the pollution of waters by factory refuse, oil, sawdust, etc., throughout the entire state. By the vigorous prosecution on the part of the commission of various oil companies, factories, steamship companies and gas companies this evil has been remedied to a very large extent. The pollution of the Truckee river which has been a long standing and particularly flagrant evil is now in a fair way to be abated. The owners of the factories along the stream are now taking active steps to keep all deleterious matter out of the stream.

### GAME FARM.

The state game farm at Hayward has served as a station for experiments in the breeding of native and foreign game birds. It has also been the means of inducing several hundred private breeders to engage in the business of raising game. The present commission has in the past two years raised and dis-

## *Work of Fish and Game Commission.*

tributed from the game farm over 2700 pheasants against 1200 of the same species raised during the prior four years of the game farm's existence. The commission has also distributed from this farm 1266 pheasant eggs, 1060 wild turkeys and 2424 quail. Not one of these birds has been liberated on a gun club or on a private shooting preserve.

### PATROL SERVICE.

During the last three years the commission has provided for the first time an effective patrol of every part of the state. The laws for the protection of fish and game have been fairly but firmly enforced in every part of the state. The present commission has been the first one to put a stop to the illegal dealing in game in the large cities by so-called transfer companies. All the unlawful game and fish confiscated by the commission has been donated to charitable and public institutions.

Being mindful of the people's rights in wild game and fish, the commission has exerted every possible endeavor to guarantee the widest and freest exercise of the hunting and fishing privileges. The deputies of the commission have been forbidden under penalty of instant dismissal to patrol private clubs or preserves for the benefit of the owners or lessees.

Believing that the enforcement of the trespass laws does not come within the jurisdiction of the commission, such matters have been left to the regular peace officers.

### LEGISLATION.

At the recommendation of the present commission, the legislature in 1911 enacted a measure which prac-

## *Work of Fish and Game Commission.*

tically throws open to the public every stream in the state for fishing. Even if any stream should ever again be closed to the public by private interests, it could be declared a highway for the purpose of fishing and could be restored to the public under the operations of this law.

The present commission had the honor of recommending to the 1913 legislature the so-called non-sale law. Similar legislation has already been enacted by a majority of the states and has the unqualified endorsement of all the leading conservationists. To guarantee a supply of wild game in the markets, the last legislature enacted a measure which makes possible the raising of deer, quail, pheasants, ducks and other game birds and animals on private game farms. At least a hundred such farms are now being established.

As a result of the investigations conducted by the commission, the last legislature was able to provide suitable protective measures for all of the valuable food fishes. The laws now in operation should save to the people of the state a resource that is of increasing value.

## THE WORK OF THE STATE CIVIL SERVICE COMMISSION.

The state civil service commission was appointed August 11, 1913, and immediately found itself confronted with the task of classifying all of the state's employees before it could hold examinations. The number of employees was not known. The commission found that approximately 4834 positions were subject to its jurisdiction. Each employee was put into his proper class according to the duties of his position, resulting in 198 classes.

The commission had also to make rules and regulations to govern these thousands of employees in their relations to the state—their employment, dismissal, reinstatement, trial for dereliction of duty and the like. This work was merely preliminary, however, to the real work of examinations. The test of a civil service law is putting men to work. All the machinery of administration is a false quantity unless the result is civil service men and women actually at work. All employees of the state working August 15th were given a civil service status by the civil service law. The task of the commission was therefore much easier than it would have been if all state employees had to be examined. Still, the task of the civil service commission cannot be better illustrated than by the fact that since August 15th over fifteen hundred temporary employees have been authorized by the civil service commission, such is the extent of the state's business.

The decks have been cleared for action. The com-

## *Work of State Civil Service Commission.*

mission was ready for examinations on November 14th, the date of classification. It has had thirteen examinations at the present date (February 1st), held in different parts of the state, and has adopted a formal schedule of one examination a week for the next year with the resolution of sandwiching in as many more between as it can prepare for. The labor of preparing examination questions, holding the examinations and marking the papers has been greater than anticipated because of the unexpected numbers taking the examinations. For one vacancy in the position of wharfinger under the state board of harbor commissioners, 350 applicants were examined and their papers graded.

The papers of all applicants are given a number and are marked and approved by Professor B. P. Kurtz of the University of California and a corps of expert readers before the names of the applicants are known to the examiners.

The greatest work that the commission has to undertake—the establishment of efficiency records in the various departments—has had to wait somewhat while the commission has been getting under way. The commission has adopted a system by which the efficiency records of each employee under civil service will be marked by his immediate supervisor each month. Poor work, insubordination, ineptitude, etc., will appear on this record and, if it is of sufficient demerit, the employee will be automatically tried and dismissed. All that will be investigated will be the accuracy of the record made by the employee himself.

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No inefficient man can then be kept in the service of the state against the will of the head of the department, as often has happened in the United States civil service.

In the establishment of such a branch of government as the new civil service law some friction naturally must result, but the different state officials are co-operating with the civil service commission and the new law will be firmly established. Not one of the 4834 employees of the state can be replaced, no new appointment can be made and no transfer or reinstatement made without the previous approval of the civil service commission.

Ample power is given to the civil service commission, for each salary warrant must be approved by it before it is paid and Controller Chambers has assured the commission that he will not audit any warrant without the previous approval of the civil service commission.

Politics are removed from the state government as far as the appointees of the state's vast army of employees is concerned. Possibly the most graphic demonstration of the new order of things is this sign hanging in the outer office of the state harbor commission at San Francisco: "All applications for office are referred to the state civil service commission at Sacramento." No governor can remove a civil service commissioner; that requires a two-thirds vote of both houses of the legislature.

## EDUCATION AND TEACHERS, UNDER THE PROGRESSIVE ADMINISTRATION.

Education, and the teaching profession, have received most liberal and enlightened treatment from the progressive administration.

### FREE TEXT-BOOKS.

Conspicuous among the services rendered to education by the progressive administration has been the legislation making text-books absolutely free for pupils in the public schools. For years the opponents of the measure, chiefly eastern text-book publishers, have been able to prevent the distribution of free text-books to the pupils. The progressive administration, ignoring the sophistries, and disregarding the lobbyists, that have prevailed in former years, enacted the free text-book statute as part of the administration's program of legislation.

### STATE UNIVERSITY.

The state university has fared well under the progressive administration, of course, and has prospered. The increase in the registration of the University of California in 1913 over 1912 was 631 students, and in 1913 the increase over the same date of two years previous was over 1100. The University of California is today the largest state university in the United States, the second largest university in the United States, and the largest university in undergraduate registration of all universities, both state and privately endowed. In 1911 the appropriation for the university, including the state university fund, was \$2,-

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305,000. In 1913, the total appropriation was \$3,-406,416.

### STATE BOARD OF EDUCATION.

A new state board of education has been created. Formerly, the state board consisted of active school men. The new board consists of seven lay members and directs the general policy of education in California. Under this body three commissioners are in immediate charge of school work. The most important development thus far under the new order is the attention that is being given to vocational training. One commissioner devotes himself entirely to this subject.

A teachers' pension bill has been enacted, after much discussion, providing for the payment of retirement salaries for public school teachers. Thus, the teachers in the public schools are provided with pensions, although the word "pension" is avoided in the statute.

Public school houses throughout the state are now used as civic centers, wherein meetings may be held to discuss subjects of public interest. Union high schools are permitted to establish libraries, and provision has been made for the establishment of county free libraries by boards of supervisors.

### NORMAL SCHOOLS.

Within his first two years in office Governor Johnson was confronted with the problem of meeting an increase of thirty-one per cent. in attendance at the state normal schools. This increase was more than twice as large as any previous increase in a similar

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length of time. He found normal schools established at San Francisco, Los Angeles, San Diego, Chico and San Jose. A new normal school had been founded at Santa Barbara but was occupying the city school buildings.

Not only were additional teachers necessary to meet this increase, but new buildings and additional schools were essential.

At a cost of \$85,500 Santa Barbara has been provided with the necessary buildings.

A new normal school was founded at Fresno and is now being provided with the necessary buildings at a cost of \$215,000.

A new normal school to meet the demands of the north has also been founded and will be located in the county of Humboldt.

At the old established schools new buildings were also necessary.

At a cost of \$100,000 one new building at San Jose has been provided, and another is under course of construction.

The old site of the Los Angeles normal school was sold for a sum sufficient to construct an entirely new school. This new school is now being completed and will be equipped at a cost of \$78,000.

The next improvement to be made in the normal schools is the construction of a modern building to replace the old structure of the San Francisco normal.

In addition to the buildings necessary the sum of \$350,000 has been devoted to providing an adequate staff of instructors and proper support and equipment for all the normal schools.

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California today has the finest system of normal schools in the United States, and this is true not only as to the grounds and magnificent buildings, but as to the courses of instruction.

In previous administrations the presidents of normal schools found it necessary to come to Sacramento to lobby for a sufficient amount of money to operate their institutions. Under the budget system inaugurated by the board of control the needs of all the institutions were scientifically determined and the necessary appropriations were forthcoming while the presidents of the schools remained where they belonged—at their respective institutions.

## WHAT THE PROGRESSIVE ADMINISTRATION HAS DONE FOR THE FARMER.

One of the most important accomplishments of the progressive administration was the extension of the scope, and the increase in the usefulness of the agricultural department of the state university. Governor Johnson was earnestly desirous of making the whole university, but particularly the agricultural department, of direct service to the people. In his biennial message to the legislature, he said:

"We may be justly proud of the academic prominence of the university of California. It has attained an eminence that entitles it to-day to be ranked among the great institutions of our nation. In enrollment it is the second college in the land, being exceeded in the number enrolled by Columbia alone. Its situation is ideal, the standard of its work equal to any, and I feel that too great praise cannot be accorded to those who have brought it to its present high academic efficiency.

"I wish it, however, to serve the other purpose as well; to be in touch with the agricultural and horticultural and viticultural interest of the state; to be the mecca of every man who wishes to know how best to treat or till the soil; to be as useful to our people who have been without academic advantages as it is to those who seek academic advantages. It should be possible upon any technical subject, governmental or otherwise, for us at once to turn to the university and there find collated all the information upon that particular subject. It should contain experts of such standing that those who wish knowledge or instruction in any particular avocation may turn there with the certainty of finding what is

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sought. It should be in such close and intimate touch with our soil that it should teach those who are upon the soil the best methods of treating the soil, what would be the most prolific and productive, and what of greatest advantage.

"We endeavored in some small measure to attain this end by the agricultural college at Davis, and recently as dean of the agricultural department a gentleman of national reputation was appointed. We wish the agricultural department of the state university to be really a department of agriculture, to be a college of farming, and to lend that aid, assistance, encouragement and enlightenment which may bring the best results.

This department of the university is of quite as vital importance as any other department, and we are striving now to bring it to the highest degree of progress and efficiency. Increased appropriations are asked for this department, and these increased appropriations, in the main, I heartily commend. It is unnecessary to dwell upon the source of our greatest wealth—our soil—to point out to you the extraordinary importance of our horticultural, viticultural, and agricultural interests. And just as in the proportion that these are important to us, in just that proportion should the agricultural department, in dealing with them, be to our university.

"The university should be the investigating arm of the government of the state. Problems constantly are arising which require for their solution immediate action and information, and which cannot be solved with the rapidity and facility desired because we can turn to no place in the state for appropriate information. In the last two years we have embarked upon different and new economic policies, some of which have been attempted in other localities and some of which are not new in foreign nations. In these matters it would have been of inestimable serv-

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ice to the government could we have turned to some particular agency and obtained at once the requisite data. It is just this purpose that the university should serve."

The best available man in the United States, Dr. Thomas Forsyth Hunt, was appointed dean of the agricultural college, and many important additions were made to the faculty of that department of the university. Liberal increases were made in the appropriations, not only for the entire university but particularly for the agricultural department, the appropriation for which was raised from \$268,345 to \$711,000. There are now more than 500 students in that department at Berkeley, and there are two hundred more at the Davis farm school. More than two thousand persons are now receiving instruction in agriculture by means of correspondence lessons.

From its headquarters at Berkeley the department carries on three branches of work,—instruction, research and public service.

One of the best features of the work is the extension or public service department, devoted to answering inquiries by farmers. Thousands of letters are received every month asking questions about soil, diseases of plants and of cattle and things affecting every branch of farming. These letters are referred to experts and every one is answered. More than fifty thousand letters are written annually and more than 400,000 bulletins and circulars are distributed. It is not easy to calculate the good done by this service. The work of the extension department is rapidly expanding, as the farmers discover that this

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expert information is available to them free of charge.

Each fall, short courses in agriculture are given at the Davis farm to an attendance which has averaged 150 persons. Regular students in the department are required to take six months' work at the university farm during their junior year.

### HOG CHOLERA EXTIRPATED.

Cholera threatened the hog business in California, but a serum institution was established at the university which supplied certain quantities free of charge. This laboratory was established by the legislature of 1911 with an appropriation of \$16,000. During the year ending June 30, 1913, the virus was used to immunize approximately 52,300 head of hogs. The result has been the overcoming of the disease in California and the saving of hogs valued at over \$450,000.

### EXPERIMENTS WITH ALKALI.

Another notable instance wherein the university is a direct benefit to the farmers is the alkali experiment that is being conducted on the Kearney state farm at Fresno. Irrigation in the arid regions brings up the problem of alkali. Drainage is the solution, but to develop a practical system of drainage has been a great difficulty. For the first time a business-like experiment is now being conducted in California. One hundred and sixty acres of the Kearney farm have been tiled and checked and pumping was begun in February. The question has been to make drainage feasible from the view point of cost. The ex-

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periment is being conducted on such a scale and in such fashion as to produce results that will determine whether or not great areas of land can be reclaimed. There is nothing of more vital importance to the agricultural industry of the state than this work. The best scientific authorities in the country have drawn upon the experience of all the world and if they make a success of their experiments it will be a blessing to the valleys of California.

### CITRUS EXPERIMENT STATION.

Appropriation was made by the legislature of 1913 to expand greatly the work of the citrus experiment station in southern California. It is aimed to have a farm of 200 acres so that experiments can be conducted over a wide range, and thoroughly and effectively. In general the work is to be on tropical and sub-tropical fruits, such as citrus fruits, walnuts, olives, avocados and the like, each of which promises to become a great industry in the state. Other problems of the farmer will be studied on this farm.

The university also conducts an experiment station at El Centro, Imperial county, where experiments relating to the growing of vines, cotton and cereals as well as other crops which may be suited to that region, are conducted. At the sub-station at Whittier, Los Angeles county, research work bearing on the nature and control of plant diseases affecting fruit and vegetables is conducted.

### OTHER EXPERIMENTAL WORK.

Besides the experimental working being carried on directly by the department of agriculture there are

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also irrigation investigations which are carried on in co-operation with the experiment station, United States department of agriculture; drainage experiments carried on in co-operation with the drainage bureau of the United States department of agriculture; and a co-operative seed testing laboratory in conjunction also with the United States department of agriculture.

### SOIL SURVEYS BEING MADE.

Soil surveys of the state have been undertaken in conjunction with the bureau of soils. Since July 1, 1913, four and one-half million acres have been surveyed. The survey is an authoritative statement of soil types and their adaptation to various crops.

### AGRICULTURAL ADVISERS.

A system of agricultural advisers through the division of agriculture extension has been organized in co-operation with the division of farm management and bureau of plant industries of the United States department of agriculture. Professor B. H. Croch-eron, assistant professor of agriculture extension, has been appointed state leader to organize agricultural advisers throughout the counties of the state of California.

### AGRICULTURAL CLUBS.

The agricultural student club of the university has organized more than forty branch agricultural clubs in the high schools of the state with an aggregate enrollment approximating 2000 young men.

Work is also being carried on in the investigation

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of crops grown on delta lands, in co-operation with the department at Washington, in lima beans with the lima bean growers' association, and in the study of the causes and cure of infantile paralysis with the state board of health. The expert work of the Alameda county milk association and the San Francisco medical milk commission is conducted by the veterinary science department of the university, and this department has assisted in the organization of cow-testing associations throughout the state.

Under special acts by the legislature the university through its department of agriculture has carried out certain lines of work desired by the state. In the fertilizer control laboratory 650 samples of fertilizer were analyzed during the past year. In the insecticide control work seven inspectors traveled approximately 10,000 miles and visited 332 towns, rendering detailed reports on the insecticides stocked by 1631 dealers of whom 984 were operating under licenses issued by the university. There were 9646 brands registered and labels inspected and 777 samples taken and 553 analyses made.

Through agricultural extension work the university of California reaches the greatest number of people in this state. This work is carried on first, through farmers' institutes and farmers' meetings and agricultural educational trains, second, by placing agricultural advisers in various sections of the state, and third, by advice and counsel from the main office or by visitation by a member of the office staff. Counsel is given freely to any citizen of the state concerning any agricultural matter upon which the

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department is competent to speak, provided only that the information is not used for advertising purposes. Where personal visits are required on the part of the members of the staff the traveling expenses are paid by the party receiving counsel.

Farmers' institutes in the past year were held in 37 of the 58 counties of the state with a total attendance of 39,715. Lectures were given at teachers' institutes and at high schools to a total attendance of 8908.

### SPECIAL TRAINS SENT OUT.

The two special trains sent out during the year, "the frost special" and "the dairy and swine special," covered a distance of 1000 miles and made a total of 74 stops and had a total attendance of 21,575 persons. All told by means of correspondence, farmers' institutes, lectures and special work, such as dairy testing and hog serum work, the department of agriculture of the university during the past year has come in contact and has directly assisted more than 100,000 people.

Other legislation for the benefit of the farmer may be itemized as follows:

### UNIVERSITY FARM.

Large special grants for lands and buildings at the university farm at Davis, amounting to \$135,000, and the citrus experiment station in southern California, amounting to \$185,000.

Sacramento and San Joaquin drainage district created, a strong commission appointed, and a large appropriation made to solve the flood problem, im-

## *The Farmer.*

prove navigation, develop irrigation, and thus protect the soil and enlarge the arable area of California. This work is well under way.

Act to regulate manufacture, sale, adulteration, and misbranding of insecticides or fungicides or materials used for insecticidal or fungicidal purposes.

### PROTECTING THE CATTLE.

Importation of neat cattle for dairy or breeding purposes prohibited, except when accompanied by certificate from a veterinarian that they have been examined and subjected to the tuberculin test and are free from disease.

State veterinarian, secretary of state board of health and state commissioner of horticulture asked to make investigation of the injury, as well as extent thereof, to animal life and vegetation caused by smelter waste.

### VITICULTURE.

Creation of state board of viticultural commissioners to collect and disseminate useful information relating to viticulture, best methods of growing grapes and handling the grape and its products; to conduct lecture courses; to give special attention to diseases and pests, etc.

Appropriated \$10,000 for the employment of inspectors to supervise the dipping of sheep in a campaign against the disease known as scabies.

Prohibited importation of horses afflicted with glanders.

### FARMERS' INSTITUTES.

Act of previous legislature appropriated \$30,000 for farmers' institutes. Appropriated \$5000 for col-

## *The Farmer.*

lection by the directors of the state agricultural society of statistics showing the yield of agricultural and other farm and industrial products, and to publish each year the number of acres of land in the state under irrigation; and the number, location and extent of any new irrigation enterprise. Appropriated \$30,000 for the erection of a dairy building at agricultural park for dairy display at state fairs.

Enactment prohibiting importation of horses, mules, asses, or cattle unless they have been examined and found free from infectious and contagious diseases.

### RURAL CREDITS.

A commission created to investigate the different co-operative agricultural societies and systems of rural credits in Europe, and report thereon, with a view to establishing in this country a sound system of rural credits and agricultural finance.

## LEGISLATION ENACTED IN 1911 AND 1913 AFFECTING PUBLIC HEALTH AND PURE FOOD.

### TENEMENT HOUSES.

A comprehensive tenement house statute was enacted designed to insure fresh air, proper sanitation, and adequate protection against fire in tenement houses.

### PURE FOOD.

A law was passed regulating the cold storage business, designed to prevent unsanitary conditions, and the storage of diseased food, and requiring that all articles of food deposited in cold storage shall be marked plainly on the container with the date of receipt, and withdrawal, and that no food shall be kept in cold storage more than twelve months without the consent of the state board of health. The statute makes it unlawful to sell food that has been in cold storage without advertising the fact, and makes it unlawful to represent or advertise as fresh articles or goods which have been placed in cold storage. This statute was opposed by the interests affected but none of the lobbyists against the bill could answer the question whether the purchaser of food was not entitled to know what he was getting. The law does not *prohibit* the sale of food that has been in cold storage; it merely prevents the sale of *diseased food*, and the *deception* of purchasers.

One of the most important enactments, relating to food, was the statute making it unlawful to de-

## *Public Health and Pure Food.*

stroy any food-stuff which is in fit sanitary condition. The purpose of this statute was to prohibit the practice of dumping whole shiploads of fruits and vegetables into the bay upon their arrival from the farm, in order to keep up the price of commodities in San Francisco.

### DISEASE ERADICATION.

Various sums were appropriated for the investigation and eradication of tuberculosis, rabies, Asiatic cholera, bubonic plague, and smallpox. Medical practitioners required to make reports to the state board of health of all occupational diseases.

Legislation was enacted permitting the parole of the mentally sick.

### BOARD OF HEALTH.

The board of medical examiners was created to regulate the practice of medicine.

Governor Johnson appointed Dr. Donald H. Currie of the United States health service as a member of the state board of health, which in turn elected him secretary and executive officer. By this step it is expected that co-operation between the state and the federal health authorities will be facilitated.

There were numerous other enactments to prevent the manufacture or sale of unsanitary food.

## HOW THE PROGRESSIVE ADMINISTRATION HAS HELPED BUSINESS.

With its enlightened social vision the progressive administration has done more for the business interests of the state than any so-called "business" administration, with a narrow outlook, could possibly have done. Among the ways in which the progressive administration has aided business may be enumerated:

### REDUCED RATES.

The work of the railroad commission which has fixed rates fair both to public service corporations and to consumers, has prevented the watering of capitalization, and has prohibited unnecessary duplication of plant, and wasteful competition.

### BETTER AND CHEAPER WHARFAGE.

The work of the state harbor commission at San Francisco which has constructed numerous wharves and docks, has reduced rates on shipping, and has improved service in many particulars.

### PERSONAL INJURY HAZARD ELIMINATED.

The creation of the industrial accident commission and the enactment of the workmen's compensation insurance and safety act. Thus the progressive administration has removed from business an element of uncertainty, which was a dangerous factor, and has prevented a waste of money which was burdensome alike upon the employer and the employee. The cost of accidents has been thrown upon the

## *Helped Business.*

operation of the business, where it belongs, and then has been assumed by insurance companies, just as fire losses are assumed. In other words, security, through insurance, has taken the place of the old waste and hazard.

### SAFER BANKING.

Banking conditions have been greatly improved by the superintendent of banks. At the same time the banking law has been modified and rendered more practical. As a result, the banks of California are as a whole in better condition than they were three years ago.

### ECONOMICAL USE OF TAXES.

The creation of the new state board of control which has greatly improved the administration of public institutions, and eliminated graft and waste, and which has placed all bidders for State contracts upon an equal footing, where influence or favoritism give no advantage to anybody.

### GOOD ROADS.

The work of the state highway commission, which has built hundreds of miles of excellent roads throughout California, and is extending the system of state highways rapidly.

### SCIENTIFIC FARMING.

The encouragement which has been given to the state university, and particularly to the department of agriculture. The university, through the department of agriculture, has been brought close to the

## *Helped Business.*

people and has become an active agency for the improvement of agriculture.

### REFORM OF TAX SYSTEM.

The amendment of the taxation system so that the state government is now supported by taxes levied on certain classes of corporations; and also, by such economical administration of the state government that the biennial increase in taxation has been reduced by approximately one-half.

### SUPPRESSION OF FRAUD.

Various statutes designed to prevent fraud and unfair competition, such as the weights and measures act, the net container act, the act regulating the cold storage business, the minimum wage act, and the blue sky law. These measures, like all the social legislation of the Johnson administration, protect the honest and humane merchant, manufacturer and promoter against dishonest and slave-driving competitors.

### GAMBLING AND VICE DISCOURAGED.

Business has been helped also,

By the abolition of race-track gambling, and other forms of gambling, which tempt employees to dishonesty.

By the redlight abatement law, and other measures for the abolition of vice, which will prevent economic waste.

By a great program of social legislation and social activity, such as the minimum wage, the immigration commission, the eight-hour law for women, and the child labor law, which, besides protecting the kindly

### *Helped Business.*

and enlightened employer against unscrupulous competition, will go far to prevent the economic and industrial revolution that would inevitably follow stupid persistence in the stand-pat attitude toward the general demand for industrial reforms.

## NO "FREAK" LEGISLATION.

### ANSWER TO THE COMPLAINT THAT THE PROGRESSIVE LEGISLATURES RAN TO FADS.

During the session of the legislature of 1913 a great outcry about "freak legislation" was made by newspapers hostile to the progressive administration. At every session of the legislature, of course, there are introduced some foolish or silly bills. The introduction of such bills is a favorite device of the opponents of an incumbent reform administration whereby to create the impression that the administration is running to fads. But the test is not what bills are introduced but what bills are enacted into law.

No freak legislation whatever became a law as a result of the session of the legislature in 1913. Indeed, the two sessions of the legislature held under the progressive administration have been conspicuous for the lack of freak legislation. The legislature in these two sessions was so earnestly occupied in the consideration of the great volume of sane, constructive, and beneficial legislation designed to modernize the government and the laws of California, and was composed of men, for the greater part, of such superior character and intellect, that it had neither the time nor inclination for the fads or frivolities that filled the time of reactionary legislatures when they ought to have been attending to the people's business.

Here is a list of the subjects concerning which important legislation was enacted by the legislatures of

## *No "Freak" Legislation.*

1911 and 1913. Let any critic of the administration justify the assertion that any one of these measures is "freak legislation."

### POLITICAL REFORM.

Popular election of United States senators.

Direct primary.

Australian ballot in its pure form.

Initiative, referendum and recall.

New railroad commission, with plenary powers.

Creation of state board of control.

Water conservation.

Panama-Pacific and San Diego expositions.

Civil service throughout the state government.

Non-partisan election of judges.

Reform of state tax system.

### PUBLIC MORALS.

Suppression of race track gambling.

Local option.

Abatement of commercialized vice, known as red-light abatement law.

Two a. m. closing ordinance for bar-rooms.

Suppression of slot-machine gambling.

### SOCIAL LEGISLATION.

Employers' liability, superseded in 1914 by workmen's compensation.

Reform of criminal procedure.

Alien land ownership.

Minimum wage.

Old age pensions.

Tenement houses.

Study of rural credits.

Prison reform.

Immigration and housing.

## *No "Freak" Legislation.*

Various provisions for the safety of workers and the public.

Bringing the university close to the people, and making the department of agriculture directly serviceable to the farmer.

### FOR WOMEN AND CHILDREN.

Woman's eight-hour bill. Amended in 1913 to include student nurses at hospitals.

Free text-books for school children.

Women's suffrage.

Mothers' pensions.

Teachers' pensions.

Child labor.

Probation for minors.

### SUPPRESSION OF FRAUD.

Blue sky law.

Weights and measures law, net container act, and pure food act.

### COMMERCE.

Improvement of the harbors.

Drainage and flood problems of Sacramento and San Joaquin valleys.

## WHAT THE PROGRESSIVE ADMINISTRATION HAS DONE FOR PUBLIC MORALS.

### RACETRACK GAMBLING.

Enacted the law making pool-selling and book-making a felony, and thus at one blow abolished racetrack gambling, an evil which had been a prolific source of wretchedness and crime for very many years.

### SLOT MACHINES.

Prohibited gambling in various other forms and thus put the slot machines out of business.

### INEBRIATES.

Provided for the commitment of inebrates to state hospitals, and thus kept many away from the penitentiaries who, in the old days, would have been branded as convicts.

### LOCAL OPTION.

Authorized the regulation of the liquor traffic by local option, thus giving every community power to deal with its own liquor problem.

### COMMERCIALIZED PROSTITUTION.

Enacted the redlight abatement law, designed to destroy commercialized prostitution, the exploitation of unfortunate women by "white slavers," and a certain class of landlords. This law throws its weight against the men, instead of the women who have

## *Public Morals.*

borne the brunt of all other laws designed to abate the social evil.

### TWO A. M. CLOSING.

All bar-rooms required to close between the hours of 2 and 6 a. m.

### AGE OF CONSENT.

Raised the age of consent for female minors from 16 to 18 years.

## THE REDLIGHT ABATEMENT BILL.

A MEASURE WHICH TO BE SUPPORTED NEEDS ONLY TO  
BE UNDERSTOOD.

Among the most important matters accomplished by the present state administration was the passage in the last legislature of the redlight abatement bill.

### EXPLANATION OF THE BILL.

The abatement act changes the present law in relation to prostitution. As the law stands today its practical effect is to forbid prostitution by making the prostitute herself personally responsible. She is the one who is arrested when any arrest is made. There are laws prohibiting the leasing of property for this purpose, but the application of them has been made so difficult by judicial decision that they are a dead letter. The only result of arresting the women is that they are bailed out by friends, and then have to ply their business all the harder to repay those to whom they have been placed under obligation. Now the abatement bill places the responsibility primarily on the lessee of the property, and on the owner also if he is responsible. Any superior judge can, after a hearing when both sides shall appear, close any building for one year if the building has been used for the purpose of lewdness, assignation or prostitution, provided this fact has been proved by satisfactory evidence. The building can be opened by giving a bond equal to the value of the building, with the pledge not to allow prostitution to be established.

## *The Redlight Abatement Bill.*

The bill does two things: first, it puts the responsibility on the lessee or the owner; second, it removes the monopoly of prosecution from the district attorney, and gives it to *any citizen* as well as to the district attorney.

### REASONS FOR THESE REGULATIONS.

This law is a most necessary and effective step in dealing with prostitution. In the last decade, the business of prostitution has been commercialized and organized. The Kneeland report in New York shows that over 500 men were engaged in the regular business of prostitution. Thirty houses in the tenderloin were discovered being operated as one concern under the direct control of 15 men, who have been in the business for many years in many cities. Another group of 38 men owned and operated 28 houses. This report says that white slavery depends on the existence of houses commercialized in this way. Moreover, capital invested in houses for this kind of business brings in a much larger income than capital invested in legitimate business. In San Francisco, for instance, in the Barbary Coast, property that for legitimate purposes brings only \$40 to \$100 a month rents when used for illegitimate purposes for \$350 a month, and in one case \$900 a month on a ten-year lease. The Empire House in San Francisco, which cost only \$8000 to build, for a considerable period brought in \$2100 per week, a total of \$109,200 a year. The abatement bill does one great thing. It makes the income from this kind of property uncertain. It therefore will drive capital away from such

## *The Redlight Abatement Bill.*

investment. As long as the business pays a certain class of capital is going to press into, and therefore *tend to increase* the business of prostitution. It is going to make prostitution as powerful a temptation as possible. But this bill gives the opportunity to any citizen to close houses used in this business. The hotel-keeper who now feels the temptation that comes from the ability to rent a suite of rooms three or four times a night, will hesitate when he knows that it will jeopardize his lease. The man who is tempted to invest will hesitate when he knows the income is uncertain. This bill cuts the spinal cord of the *commercialized* business of prostitution. *It destroys the organized exploitation.*

### OBJECTIONS ANSWERED.

We need now to consider the arguments made against the bill. The danger of scattering prostitution in the residence districts would be enough to make one hesitate in supporting it. But it is clear that where *any citizen* has the right of complaint, such scattering would be impossible unless the citizens of the district were unanimous in favoring prostitution in the district. The very minute a house of prostitution entered a district, any citizen could bring a complaint before any judge of the superior court. Such action certainly would prevent any scattering into the residence districts. Indeed, a careful study of the present situation in San Francisco and Oakland discloses very clearly the fact that prostitution is widely scattered even now. There are no segregated districts in any true sense.

## *The Redlight Abatement Bill.*

The next objection that is very strong in the minds of many people is the fear that this law will endanger the just rights of the owner. If any citizen can bring an application for injunction, would it not be possible for an enemy to wreak vengeance, or for a dissatisfied lessee to cancel his lease in this way? The code of civil procedure requires one asking for an injunction to file a bond sufficiently large in the judgment of the court to establish his good faith in such action. Thus, nobody could bring a charge of this kind without being able to show his good faith *by filing a bond.* And further *the lessee would be still liable for his rent* in case the building were closed.

Again many people fear that the closing of the segregated district would leave the women of our city in danger from attacks from desperate men. The experience of Iowa was appealed to, to answer this question. There an abatement bill, much like our bill, has been in force for five years. It was found that in that state there had been fewer attacks on women since the application of the law than before. The fact is that men who are continent and who are not tempted are not the ones that violate women. Those who violate women are men used to the gratification of their sensual instincts. They have the opportunity in the segregated districts when they have the money. When they are without money, they have these same instincts, which are aroused by the conditions in the segregated districts; but are without the means to satisfy these instincts. These are the men who violate

## *The Redlight Abatement Bill.*

women. A segregated district itself does much to lead to this kind of crime.

But people say the enforcement of this bill would result in street-walking and solicitation from women. But an investigation of this question shows that if solicitation is carried on in any degree in any city the police are responsible. A few years ago, for instance, solicitation on Broadway was common. Today there is practically no solicitation in that same district in New York. It is entirely due to the careful police surveillance.

The questions with which the bill deals are complex. After careful consideration, however, we are emphatically of the opinion that this bill will be effective as the first step in diminishing prostitution. The destruction of commercialized prostitution in itself would be a tremendous moral gain in our community. This bill will destroy the commercialized organization of prostitution, which is its spinal cord. It will thus give prostitution locomotor ataxia.

This bill was passed at the last legislature and was duly signed by the governor. It has throughout received the active opposition of the whole tenderloin element. This element immediately got busy after the passage of this bill and presented a petition for a referendum signed by the required number of names. This bill is therefore now before the people on a referendum to be voted on the 3rd of November. An examination of many of the signatures of this petition has disclosed the fact that there are wholesale forgeries, that literally thousands of names were written

## *The Redlight Abatement Bill.*

on the petitions utterly without the knowledge of the men whose names appear. It is fair then to say that the referendum for the redlight abatement bill is a forged referendum, and part of a plot to thwart the will of the people of California by criminal action on the part of men who are willing to forge and perjure themselves. This action has an especially sinister aspect when we realize that it gives into the hands of criminals power to thwart the will of the people, to suspend the operation of a law duly passed by the people's representatives by means of wholesale forgeries on referendum petitions.

## CALIFORNIA'S FIVE HOSPITALS FOR THE INSANE HAVE BEEN REFORMED AND MODERNIZED.

California's hospitals for the insane felt the baneful influence of machine political government to a greater degree than any others of the state's great institutions. These institutions founded and built up at enormous expense for the benefit of the unfortunate insane were in several instances perverted into quasi-penitentiaries and the inmates were treated as criminals.

Political workers, without any training, were installed in these hospitals as nurses and attendants; corrupt contractors delivered inferior foodstuffs and many time articles unfit for consumption; the heads of those institutions which were honestly conducted could not get sufficient money to pay an adequate staff or to properly house the insane; the introduction of methods of treating insanity recognized as successful and adopted in leading hospitals of the world were frowned on as "freak" ideas; the general idea being to keep the patients confined with as little trouble as possible and provide comfortable berths for as many loyal political adherents as possible.

For three years the medical superintendent of each of the six big state hospitals has had absolutely autocratic power in the hiring and discharging of nurses, attendants, physicians and all other help. The only demand made has been that the persons

## *California's Five Hospitals for the Insane.*

employed shall be the most efficient and best trained that can be secured. The result has been the improvement of the staffs of these institutions until to-day they compare favorably with the best private hospitals in the state.

For three years the person of most importance in every hospital has been the patient. The comfort and care of the patients has been the first consideration, and the comfort and care of the officers and employees the second. For the last two years and a half the pure food and drug laboratory at Berkeley has been the judge of all foods and drugs supplied to the state hospitals, and the finest quality of food has been purchased for less money than was formerly paid for inferior food.

During the last two years and a half the state government has wrestled with the problem of repairing the existing buildings and providing proper additional structures for the housing of the hundreds of patients formerly housed in garrets and filthy basements. While millions of dollars were devoted to political purposes these hospitals had been allowed to drift along without proper support.

Within the last two years and a half California's hospitals have been equipped with the necessary buildings and equipment for the administration of hydrotherapy. The hydrotherapeutic treatment, which consists in a large degree in a system of continuous hot baths under the supervision of trained nurses and physicians, has marked the greatest advance in half a century in the treatment of insanity, and has resulted in the curing of a large percentage of patients

## *California's Five Hospitals for the Insane.*

in the state's hospitals. The great service rendered by the treatment has been in connection with new and acute cases, many of which have been treated and turned back into the world without at any time having been confined in the wards of the institution.

The re-education of the insane and other methods which have been successfully used throughout the world have been introduced in California's hospitals.

With the improvements already made and those under way California's five hospitals for the insane and its home for the feeble-minded will rank second to none in the United States.

In addition provision has been made for the foundation of a new hospital for the insane at a cost of \$250,000 to relieve the congestion in the present institutions.

Had Governor Johnson done not another single thing, his taking of the hospitals out of politics and modernizing them would have entitled him to the thanks of humanity and to the affection of the thousands of relatives of those unfortunate people who, through no fault of their own, are under treatment for insanity.

## IMPORTANT GENERAL LEGISLATION DURING GOVERNOR JOHNSON'S ADMINISTRATION.

### DIRECT-ACTION.

Constitutional amendment providing for the initiative, referendum, and the recall, including the recall of judges, approved by the legislature and laid before the people, who approved it by an overwhelming majority. The initiative, referendum and recall were also extended by legislation to municipalities.

### TAX REFORM.

Act carrying into effect the constitutional amendment adopted November 8, 1910, providing for the separation of state from local taxation, and providing for the taxation of public service and other corporations, banks, insurance companies, etc., for the benefit of the state.

### FRAUD PREVENTION.

Establishment of standard of weights and measures in California, to prevent the use and sale of false weights and measures, and to prevent the sale of goods by false weight or measure.

The net-container act, providing for the indicating of the net quantity of foodstuffs offered for sale in containers. This, and the weights and measures act, are designed to protect the public against fraud.

### RAILROAD COMMISSION.

Railroad commission reorganized. Constitutional amendment laid before the people, extending the

## *General Legislation.*

powers of the railroad commission and giving it that plenary jurisdiction which it has exercised with such benefit to the public.

### DIRECT PRIMARY.

Establishment of a direct primary law, faithfully carrying out the principles of the direct primary and correcting the unsatisfactory measure forced through under the rule of the bosses.

### POPULAR ELECTION OF SENATORS.

Providing for a method to permit the electorate to choose United States senators by direct vote of the people. The direct primary was also extended so as to provide for the choice of presidential electors.

### EXPOSITIONS.

Liberal enactments in aid of the San Diego exposition, Italian international, Los Angeles exposition building, and Panama-Pacific exposition.

### FREE PASSES PROHIBITED.

Free passes prohibited by constitutional amendment.

### THE ALIEN LAND ACT.

Preserving California's soil for the white race.

### CIVIL SERVICE.

Establishment of civil service under the state government, whereby over 4000 state employees are taken out of politics. Comparatively few appointive positions remain. The members of the civil service commission are removable only by a three-fourths

## *General Legislation.*

vote of the legislature. The commission is, therefore, free of all political control.

### MINIMUM WAGE.

Creation of the industrial welfare commission, otherwise known as the minimum wage commission, to investigate and deal with the employment of women and minors, including a minimum wage. This commission is authorized to make an order specifying the minimum wage for women or minors in any occupation, and also specifying the maximum number of hours of labor per day.

### STATE HIGHWAYS.

Creation of the state highway commission to expend the \$18,000,000 provided by the bond issue authorized by the people for the construction of the state highway.

### BLUE SKY LAW.

Blue sky law, designed to protect investors from promoters, selling stocks and bonds, in illegitimate enterprises, or for prices fraudulently out of proportion to the value of the stocks and bonds so sold. The law does not apply to securities of corporations subject to the railroad commission. The blue sky law is to be enforced by the commissioner of corporations. This law is enlightened legislation for the protection of the public against swindlers. It will make the securities of California corporations respected at home and abroad. The operation of the blue sky law has been suspended by referendum proceedings. The man who led the fight against the blue sky law, and

## *General Legislation.*

instigated the referendum, was the head of a large investment corporation which has since failed disastrously. Had the blue sky law been in effect a few years ago that particular corporation would not have been able to cause loss to thousands of small investors.

### IMPROVED BANKING.

New bank act which ameliorates the severity of the former statute, in some respects, but increases the authority of the superintendent of banks, thus providing more effectively for the security of depositors, but at the same time freeing the banks of burdensome regulations.

### UNFAIR COMPETITION.

An act prohibiting discrimination between different sections, communities or cities or portions of the state, on behalf of persons engaged in the production, manufacture, distribution or sale of any commodity of general use or consumption, when such discrimination is intended to destroy the competition of any regular dealer in such commodity, product or service. Unfair price cutting for that purpose prohibited.

### PIPE LINES COMMON CARRIERS.

An act practically making oil pipe lines common carriers and putting them under the jurisdiction of the railroad commission.

### OLD AGE AND MOTHERS' PENSIONS.

Act authorizing a commission to investigate old age insurance, pensions and mothers' pensions.

## *General Legislation.*

Meanwhile provision is made for the support of widowed mothers maintaining their children at home.

### REDLIGHT ABATEMENT.

Redlight abatement statute, the purpose of which is to prevent the commercializing of vice, and the exploitation of unfortunate women by a class of men, including certain landlords. Hitherto, in all legislation designed to abate the social evil, the penalties have fallen upon the unfortunate women, who are victims, in large part, of groups of men that profit most by commercialized vice. The design of the redlight abatement bill is to make vice commercially unprofitable to such men, and thus to abate the social evil by abolishing the profits which induce such men continually to extend the social evil, and lure both men and women into immorality. The operation of the redlight abatement law has been suspended by referendum proceedings.

### FLOOD PROBLEM.

Statute creating the Sacramento and San Joaquin drainage district, and creating a commission with ample funds and powers to solve the flood problems of the Sacramento and San Joaquin valleys. It is expected that this commission will accomplish much to prevent the great losses caused by floods in the central valleys of California.

### PUBLIC OWNERSHIP.

Enactment permitting a municipal corporation to acquire control and operate a public utility, including water, light, heat, power, transportation and trans-

## *General Legislation.*

portation service. Various laws were enacted in 1911 and 1913, with a view of facilitating the acquisition by municipalities of public utilities, and generally to aid the public ownership of public utilities.

### PROGRESSIVE POLICIES.

The progressive legislature went on record, by resolution, in favor of the establishment of postal savings banks, the income tax, and the parcel post, and against the exclusion by the Russian government of certain classes of American citizens, and in favor of the election of the president and vice-president by popular vote.

### IMMIGRATION.

Creation of the commission on immigration and housing, for the investigation of all things affecting immigrants, and for the care, protection and welfare of immigrants. This commission is to study in advance the problems with which the state will be confronted when the expected huge immigration to California through the Panama Canal shall begin to arrive. The commission is to gather information for the benefit of immigrants, and to direct immigrants to those parts of the state where they will be most likely to thrive and where their talents will be most beneficial. The commission has wide authority in such matters as the establishment of employment bureaus, the inspection of labor camps, the investigation of sanitary and safety conditions, the control of ticket agents, hotel runners, interpreters and pawn-brokers.

## *General Legislation.*

### CONSERVATION.

Conservation act providing for a water commission to control the waters of the state, with power to pass upon applications for water rights, to ascertain the rights of those who claim water privileges, and giving the state authority to control the development of all water power, and to demand pay for it. This is a thorough-going measure to prevent the capitalization of any water right granted by the state and the subsequent taxation of the people to provide a revenue upon the capitalization so created. It will not hurt business, but on the contrary will encourage the legitimate development of the water power of California for beneficial use, and will not prevent any person or corporation, so developing water power, from earning a proper revenue upon the actual investment. The act is an enlightened and practical piece of legislation in accord with the conservation idea. The operation of this act has been delayed by a referendum.

In 1911 the legislature enacted a conservation act creating a conservation commission, and regulating the appropriation of water for the generation of electricity. The creation of the water commission, and the conservation act enacted in 1913, was at the suggestion of the conservation commission created in 1911.

### ENGINEERING.

Creation of department of engineering to consist of an advisory board composed of the governor, state engineer, general superintendent of state hospitals,

## *General Legislation.*

the chairman of the San Francisco harbor board, and three others members to be appointed by the governor, these three serving as the state highway commission. Further, a consulting board appointed by the governor to the department of engineering for all matters that affect irrigation, drainage, and river improvement. The advisory board shall advise with the state engineer, highway engineer, or state architect as necessity requires, and shall advise with boards of managers or trustees of various state institutions requiring engineering or structural work and with any state commission regarding any work wherein the said commission may be interested.

### BOARD OF CONTROL.

Creation of the state board of control which has audited all the books of the state institutions,—the first audit made in twenty years. The board of control has general powers of supervision over the financial and business policies of the state, and supervises all contracts for supplies. It has established a uniform system of accounting for all state departments and institutions. It has corrected many abuses, eliminated much waste and graft, has established the budget system of providing for the financial needs of the state and has reformed and modernized the whole financial system of the state government. It has created confidence among business houses and has secured justice and impartial treatment for all bidders on state contracts.

## THE ALIEN LAND BILL.

### HOW THE PROGRESSIVE ADMINISTRATION HAS PRESERVED THE SOIL OF CALIFORNIA FOR OUR OWN PEOPLE.

No act of the progressive administration attracted wider attention or caused greater excitement than the alien land bill, which, in its final form, provided:

“1. All aliens *eligible to citizenship under the laws of the United States* may acquire, possess, enjoy, transfer and inherit real property, or any interest therein, in this state, in the same manner and to the same extent as citizens of the United States, except as otherwise provided by the laws of this state.

“2. All aliens other than those mentioned in section 1 of this act, may acquire, possess, enjoy and transfer real property, or any interest therein, in this state, in the manner and to the extent and for the purposes *prescribed by any treaty* now existing between the government of the United States and the nation or country of which such alien is a citizen or subject, and not otherwise, and may in addition thereto lease lands in this state for agricultural purposes for a term not exceeding three years.”

This legislation was enacted in response to an insistent demand from the farmers and the working-men of California, and was designed to prevent the development of a race problem which, unless definitely checked at this early stage, would become as incurable and oppressive as the negro problem in the south.

At the election in 1912, the democrats of Cali-

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fornia were definitely pledged by their platform to enact legislation "that will prevent any alien not eligible to citizenship from owning land in the state of California," and this matter was made by them an important issue in the campaign. On the other hand, the platform of the progressive republicans said nothing on the subject, although the progressive republicans individually were, for the most part, strongly in favor of such legislation.

Before President Wilson took office, Senator John B. Sanford, a prominent democratic member of the state senate, boasted that he would introduce a bill which would prevent any alien not eligible to citizenship from owning land in California, and he asserted that this bill would cause great embarrassment to Governor Johnson. When some one suggested that the bill might also cause great embarrassment to the democratic national administration Senator Sanford replied that President Wilson and Secretary Bryan understood the situation perfectly.

When the members of the legislature had assembled at Sacramento, but before the time of the introduction of bills had arrived, the president and directors of the Panama-Pacific exposition pleaded with the members to agree not to introduce any anti-Asiatic bills. They insisted that the very introduction of such bills would offend China and Japan, and cause those two nations to refuse to participate in the exposition. Throughout the discussion of these bills, the Panama-Pacific Exposition Company, earnestly believing that the legislation would hurt the

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Exposition, brought to bear on the members of the legislature all the pressure it could command in order to prevent them from voting in favor of the anti-Asiatic bills.

The farmers, however, argued, with eloquence and force, that it would be better to abandon the exposition than to permit Japanese to extend their control of the soil of California. The preservation of California for the white race was of greater importance, they said, than the success of the exposition.

Ralph Newman, a Sacramento valley farmer, stated the case for the farmers in these words, as quoted by Franklin Hichborn in his very excellent "Story of the California Legislature of 1913," which contains a full and interesting account of the enactment of the alien land bill:

"The argument of the exposition directors amounts to this: If we pass an alien land law now, Japan will bite off her nose to spite her face, and the blood may muss things up. Therefore, let us wait two years, and then we'll soak her. But I want to tell you that if the Japanese government is as keen as the Japanese who are getting our land, those tactics will not work.

*"Near my home is an eighty-acre tract of as fine land as there is in California. On that land lives a Japanese. With that Japanese lives a white woman. In that woman's arms is a baby.*

*"What is that baby? It isn't a Japanese. It isn't white. I'll tell you what that baby is. It is a germ of the mightiest problem that ever faced this state; a problem that will make the black problem of the south look white.*

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"All about us the Asiatics are gaining a foothold. They are setting up Asiatic standards. From whole communities the whites are moving out. *Already the blood is intermingling. At present the problem is comparatively easy and can be snuffed out. But let it go even a little longer and it cannot be snuffed out.*

"*We farmers are interested in the exposition. We will do all that we can for it. But there is one thing that we cannot and will not do for it. We will not jeopardize our race.*

"In dealing with the men who demand this anti-Asiatic legislation you are dealing with men who do not put the dollar above all else. Our governor has shown us what the initiative is. The farmers of California will show you how to use it."

On April 22, 1913, President Wilson sent a telegram to Governor Johnson and the legislature, in which he said:

"I speak upon the assumption, which I am sure is well founded, that the people of California do not desire their representatives—and that their representatives do not wish or intend—in any circumstances to embarrass the government of the United States in its dealings with a nation with whom it has most earnestly and cordially sought to maintain relations of genuine friendship and good will, and that least of all do they desire to do anything that might impair treaty obligations or cast a doubt upon the honor and good faith of the nation and its government.

"I, therefore, appeal with the utmost confidence to the people, the governor, and the legislature of California to act in the matter now under consideration in a manner that cannot from any point of view be fairly challenged or called in question. If they deem

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it necessary to exclude all aliens who have not declared their intention to become citizens from the privileges of land ownership, they can do so along lines already followed in the laws of many of the other states and of many foreign countries, including Japan herself. Invidious discrimination will inevitably draw in question the treaty obligations of the government of the United States. I register my very earnest and respectful protest against discrimination in this case, not only because I deem it my duty to do so as the chief executive of the nation, but also, and the more readily, because I believe that the people and the legislative authorities of California will generously respond the moment the matter is frankly presented to them as a question of national policy and of national honor. If they have ignored this point of view, it is, I am sure, because they did not realize what and how much was involved."

To the president's telegram, Governor Johnson replied as follows:

"To the President, Washington, D. C.: Immediately upon receipt of your telegram of this date, it was transmitted to both houses of legislature. I think I may assure you that it is the desire of the majority of the members of the legislature to do nothing in the matter of alien land bills that shall be embarrassing to our own government or offensive to any other. It is the design of these legislators specifically to provide in any act that nothing therein shall be construed as affecting or impairing any rights secured by treaty, although from the legal standpoint, this is deemed unnecessary. If any act be passed, it will be general in character, relating to those who are ineligible to citizenship and the language employed will be that which has its precedent and sanction in statutes which now exist upon the subject. I speak,

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I think, for the majority of the senate of California, certainly I do for the vetoing power of the state, when I convey to you our purpose to co-operate fully and heartily with the national government and to do only that which is admittedly within our province without intended offense or invidious discrimination."

On the following day President Wilson telegraphed to Governor Johnson and the legislature inquiring whether it would be agreeable to have the secretary of state, Mr. Bryan, visit Sacramento for the purpose of counseling with the members of the legislature and co-operating with them in the framing of a law which would meet the views of the people of the state and yet leave untouched the international obligations of the United States. Each house of the legislature, by resolution, replied that while it respectfully maintained the right of the legislature of the state of California to legislate on the subject of land ownership within the state, it would be entirely agreeable to have the secretary of state of the United States visit Sacramento for the purpose indicated in the president's telegram.

Secretary Bryan arrived at Sacramento on April 28th, an office in the state capitol was assigned to him, and he became the guest of Governor and Mrs. Johnson at the governor's mansion. For nearly a week Mr. Bryan remained at Sacramento. He urged the legislature to postpone action for a time and, if action were deemed necessary, to see that the legislation should make no distinction among aliens, and particularly that, whatever the form of the law, no

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words be used intended to distinguish between those eligible and those ineligible to citizenship.

Governor Johnson's spirited reply to Secretary Bryan, at the joint session of the legislature, stated the position for California in words that made the attitude of the federal government seem weak and halting. Governor Johnson said:

"Mr. Secretary, will you permit me just one word: the gist of the statement was intended to be that in enacting a law of the character that was designated in that statement the state of California would not be guilty of any discrimination whatsoever, and the point of inquiry, it seems to me, should be—and I speak perhaps academically in this regard—not: *Is Japan offended to-day? but is Japan justly offended to-day?* Is there anything that is contemplated by the legislature of the state of California that should give and would give necessarily to any nation, logically looking at the problem, just offense? If there be justly offense given, none of us desires that shall be so; but if it be a fact that offense is taken where justly it ought not to be taken, then we are justified in proceeding with our legislation in the state of California. And the position that I maintain is, that by the use of the words 'ineligible to citizenship' we give no just cause of offense to Japan or to any other nation on the face of the earth that the United States has heretofore excluded from citizenship in the United States. That, I think, is after all, in its last analysis, the problem for you to solve, the query being not whether some nation be offended, but have you given just cause for that offense? and if we have, of course, like men, we should recede. If we have not and we are within our rights, the fact that it may take offense should not in any respect influence us in any degree whatsoever. And that we are right

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in our suggestion that no discrimination is made and that no offense can reasonably be taken is evidenced, first, by the naturalization law of the United States that declares the Japanese—not in set terms but by interpretation of the circuit courts of the United States—to be ineligible to citizenship; that is the ruling to-day of every state in the union where application has been made for citizenship by Japanese. It is evidenced as well that there can be no discrimination, by the constitution of the state of California adopted in 1879, where our organic law declared that the presence of those ineligible to citizenship among us is a menace to our state. It is evidenced again that there is no discrimination to-day in the use of those terms by the fact that in our marriage laws we will not permit Japanese and our people to intermarry. It is evidenced again to-day by the enactment of Washington and the enactments of the state of Arizona, and from all of these I insist, and I insist only as I say by way of argument—or academically if you choose to put it so,—I insist that we are within our rights in enacting a statute of the character that is contemplated; that it is not discriminatory against Japan and that, in enacting that statute, there can be no just cause for offense on the part of Japan or any other nation that is excluded from citizenship by the laws of the United States."

It was evident before Secretary Bryan left Sacramento that his mission had failed, but final action on the bill was deferred until his departure, as a mark of respect to him. With very few exceptions, however, the democrats and the reactionary republicans, responding either to the Panama-Pacific Exposition Company, or to Mr. Bryan, were either openly opposing the bill or counseling inaction. On the

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first of May the progressive leaders resolved to force the bill to a vote. Senator Curtin, who had been chairman of the committee on platform which, at the democratic state convention held in September, 1912, declared so emphatically for the "passage of a bill that will prevent any alien not eligible to citizenship from owning land in the state of California," led the opposition to the bill. Senator Curtin offered a joint resolution reciting that the president had earnestly advised the legislature that the passage of any bill discriminating against any particular nation or nations would embarrass the federal government, and that the people should defer to the president's wishes, and resolving that "this legislature will not at this session pass the bills advised against."

Curtin's resolution was defeated in the senate by a vote of 10 to 26. This was the senate test vote on the anti-alien legislation. The senators who voted in favor of the resolution for delay were: Caminetti (dem.), Campbell (dem.), Cartwright (dem.), Cohn (dem.), Curtin (dem.), Jones (rep.), Owens (dem.), Sanford (dem.), Shanahan (dem.), and Wright (rep.). A final vote on the bill was then taken in the senate, and only two senators, Cartwright and Wright, voted against it.

In the assembly, Shearer (dem.) introduced a resolution calling for delay, identical with the resolution which had been introduced in the senate by Curtin. The Shearer resolution was defeated by a vote of 49 to 21. The twenty-one members who voted in favor of taking no action for that session, that being the

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test vote in the assembly, were Beck (dem.), Bowman (rep.), Dower (dem.), Finnegan (dem.), Gates (rep.), Griffin (dem.), Guiberson (dem.), Guill (dem.), Hinkle (rep.), Killingsworth (dem.), Murray (rep.), Palmer (dem.), Shearer (dem.), Simpson (dem.), Slater (dem.), Weldon (dem.), Woodley (rep.), Willey (rep.).

When the final vote on the bill was taken the only three members of the assembly who voted against it were Gates, Guiberson and Woodley.

After the legislature had adjourned, and before Governor Johnson had signed the bill, the governor received a communication from Secretary Bryan requesting that he veto the measure. Governor Johnson replied to this communication in a letter which fully and cogently states the whole case for California:

“Your very courteous telegram relating to the alien land bill reached me late Sunday night. I take it from your conversations and your request made to me to withhold executive action until opportunity was accorded for the presentation of suggestions from the federal government, that your telegram embodies what it was your wish and the wish of the president to say to us before final action.

“In this response it is my design most respectfully to present the situation from our standpoint, and the views that actuated our legislature in passing the bill, and that impel me to sanction it.

“For many years, a very grave problem, little understood in the east, has confronted California; a problem the seriousness of which has been recognized by statesmen in our nation, and has been viewed with apprehension by the people of this state.

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When the present constitution of California was adopted more than thirty years ago, it contained the following declaration: 'The presence of foreigners ineligible to become citizens of the United States is declared to be dangerous to the well-being of the state, and the legislature shall discourage their immigration by all means within its power.'

"Of late years, our problem from another angle has become acute, and the agitation has been continuous in the last decade in reference to our agricultural lands, until finally affirmative action in an attempted solution became imperative. This attempted solution is found in the action of our legislature in the passage of an alien land bill. In the phraseology of this bill, in those whom it affects, in its scope and in its purpose, we believe we are within our legal and our moral right, and that we are doing only what is imperatively demanded for the protection and preservation of our state. In this enactment we have kept ever in mind our national good faith as evidenced by existing treaties, and our desire and anxiety have been to act only in such fashion as would commend us to our sister states and would justify us to our fellow countrymen.

"The objections to our bill are based, first, upon the treaty obligations of the nation; and, secondly, upon the assertion that our act is offensive and discriminatory. The protest to our measure, as your telegram states, comes from the representative of Japan. The bill that is now before me, as you know, provides substantially in its first section that all aliens eligible to citizenship under the laws of the United States may acquire real property in the same manner as citizens of the United States, and the second section provides that all aliens other than those mentioned in the first section, may acquire real property in the manner and to the extent and for

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the purposes prescribed by any treaty now existing between the government of the United States and the nation or country of which such aliens are citizens or subjects, and may, in addition, lease for a period of three years lands for agricultural purposes. Thus, we have made existing treaties a part of our law, and thus have we preserved every right that any foreign nation, by international contract, has insisted upon preserving with our national government. The treaty of 1911 with Japan, in reference to the citizens and subjects of each country, provides that they shall have liberty to own, or lease, or occupy houses, manufactories, warehouses and shops; to employ agents of their choice; to lease land for residential and commercial purposes and generally to do anything incident to or necessary for trade upon the same terms as native citizens or subjects, submitting themselves to the laws and regulations there established. We assume that the right of Japanese to own real property for the purposes described is absolute in our state, and we seek to deal only with our agricultural lands. We embody the treaty in our law and we add to it permission to lease our agricultural lands, for the period of three years.

“Where such extraordinary care has been exercised to preserve honor and good faith, in the very words of the contract made by the protesting nation with our own, and to do more by authorizing leases of agricultural lands, it would seem that we ought not to be open to any accusation of violation of treaty rights, or desire to entrench upon that which belongs alone to the national government, or which might become a matter of international policy.

“By the law adopted we offer no offense; we make no discrimination. The offense and discrimination are contained, it is claimed, in the use of the words ‘eligible to citizenship,’ and in making a distinction

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between those who are eligible to citizenship and those who are not. We do not mention the Japanese or any particular race. The constitution of California in 1879 made its distinction, and there never has been protest or objection. The naturalization laws of the United States, long since, without demur from any nation, determined who were and who were not eligible to citizenship. If invidious discriminations ever were made in this regard, the United States made it when the United States declared who were and who were not eligible to citizenship, and when we but follow and depend upon the statutes of the United States, and their determination as to eligibility to citizenship, we cannot be accused of indulging in invidious discrimination. May I venture to call to your attention the immigration law now pending in congress, which passed both houses of the last congress, where apparently certain classes, who shall be excluded from our country are described as 'persons who cannot become eligible under existing laws to become citizens of the United States.'

"At this very moment, the national legislature, without protest or objection—indeed it is published in California by express consent—is using the terms that are claimed in California's law to be offensive and discriminatory.

"At least three states in the union have, in the past, enacted laws similar to the contemplated law of California, and the enactments of those other states have been without objection or protest. That the protest is now made in respect to California but emphasizes the acuteness of the problem confronting California, and demonstrates that California is differently viewed than other states of the union, and that if discrimination exists it is discrimination against California. We insist that justly no offense can be taken by any nation to this law, and more particu-

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larly does this seem to us clear in the instance of a nation like Japan, that by its own law, prevents acquisition of land by aliens. It is most respectfully submitted that, after all, the question is not whether any offense has been taken, but whether justly it should be taken. I voice, I think, the sentiment of the majority of the legislature of this state, when I say that if it had been believed that offense could be justly taken by any nation to the proposed law, that law would not have been enacted.

"We of California believe firmly that in our legislative dealings with this alien land question, we have violated absolutely no treaty rights; we have shown no shadow of discrimination; we have given to no nation the right to be justified in taking offense. So believing—with a strong reliance on the justice and the righteousness of our cause, and with due deference and courtesy and with proper consideration for the feelings and the views of others—we had hoped the authorities at Washington would have seen the question as we in this state have been forced to see it—as we must see it or be blind.

"And so, with all respect and courtesy, the state of California feels it its bounden duty to its citizens to do that which the interests of its people demand; that which the conscience of its people approve; that which violates no treaty rights; that which presents no discrimination, and that which can give no just cause for offense.

"You have suggested to me delay, but this question was very earnestly and fully presented by you to our legislature, and the legislature determined to proceed. My province is to approve or disapprove the law as presented. Our people, as represented in the legislature, have overwhelmingly expressed their desire for the present alien land bill. The vote in the senate was 35 to 2, and in the assembly 72 to 3. With such

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unanimity of opinion, even did I hold other views, I would feel it my plain duty to sign the bill, unless some absolutely controlling necessity demanded contrary action. Apparently no such controlling necessity exists.

"It is with the highest respect for yourself and the president that I feel my duty to my state compels me to approve the action of the legislature."

## THE FAMOUS INAUGURAL ADDRESS OF GOVERNOR HIRAM W. JOHNSON WHICH, IN VIEW OF THE LAST THREE YEARS, SEEMS TO HAVE BEEN ALMOST PROPHETIC.

Few that heard the inaugural address of Governor Hiram W. Johnson delivered before the two houses of the legislature on Tuesday, January 3, 1911, will ever forget the occasion. It was a memorable event in the history of California; the change from the old order to the new; the formal ending of the machine government of California, and the beginning of actual government by the people.

The senate and the assembly, sitting in joint session, seemed to feel an almost religious inspiration under the spell of the occasion. Every person present felt that the moment was historic; that the governor's speech marked an epoch in the annals of California. The governor's eloquence, showing the emotion which he felt, revealed on that first day the social vision which has enlightened all the acts of the administration, and enumerated, one by one, that great program of administrative and social reform which has been carried out, item by item, without faltering, and without compromise.

Not only did the governor, in that address, outline the work ahead, but he predicted with precision the difficulties that would arise, the criticism that would

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be engendered, the treason that would be encountered, the lukewarm support that would fall away as the administration proved its earnestness in the work, and all the troubles and anxieties that would arise to harass the men who had undertaken to bring about the new order in the state government.

It is refreshing and stimulating, in the retrospect, to reread the speech that made so distinct an impression upon the people on that historic day. For that reason the address is reprinted in this book.

### THE GOVERNOR'S ADDRESS.

*To the senate and assembly of the state of California:*

In the political struggle from which we have just emerged the issue was so sharply defined and so thoroughly understood that it may be superfluous for me to indicate the policy which in the ensuing four years will control the executive department of the state of California. The electorate has rendered its decision, a decision conclusive upon all its representatives; but while we know the sort of government demanded and decreed by the people, it may not be amiss to suggest the means by which that kind of administration may be attained and continued. "Successful and permanent government must rest primarily on recognition of the rights of men and the absolute sovereignty of the people. Upon these principles is based the superstructure of our republic. Their maintenance and perpetuation measure the life of the republic." It was upon this theory that we undertook originally to go to the people; it was this theory that was adopted by the people; it is upon this theory, so

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far as your executive is concerned, that this government shall be henceforth conducted. The problem first presented to us, therefore, is how best can the government be made responsive to the people alone? Matters of material prosperity and advancement, conservation of resources, development of that which lies within our borders, are easy of solution when once the primal question of the people's rule shall have been determined. In some form or other nearly every governmental problem that involves the health, the happiness, or the prosperity of the state has arisen, because some private interest has intervened or has sought for its own gain to exploit either the resources or the politics of the state. I take it, therefore, that the first duty that is mine to perform is to eliminate every interest from the government, and to make the public service of the state responsive solely to the people. The state is entitled to the highest efficiency in our public service, and that efficiency I shall endeavor at all times to give. It is obvious that the requisite degree of efficiency can not be attained where any public servant divides his allegiance between the public service and a private interest. Where under our political system, therefore, there exists any appointee of the governor who is representing a political machine or a corporation that has been devoting itself in part to our politics, that appointee will be replaced by an official who will devote himself exclusively and solely to the service of the state. In this fashion, so far as it can be accomplished by the executive, the government of California shall be made a government for the people. If there are in

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existence now any appointees who represent the system of politics which has been in vogue in this state for many years and who have divided their allegiance between the state and a private interest of any sort, or if there be in existence any commission of like character, and I can not alone deal with either, then I shall look to the legislature to aid me in my design to eliminate special interests from the government and to require from our officials the highest efficiency and an undivided allegiance; and I shall expect such legislative action to be taken as may be necessary to accomplish the desired result.

In pursuing this policy, so long as we deal only with the ward-heeler who holds a petty official position as a reward for political service, or with the weak and vacillating small politician, we will have the support and indeed the commendation of all the people and all the press; but as we go a little higher, with firm resolve and absolute determination, we will begin to meet with opposition here and there to our plan, and various arguments, apparently put forth in good faith for the retention of this official or that, will make their appearance; and finally when we reach, if we do, some representative, not only of the former political master of this state, the Southern Pacific Company, but an apostle of "big business" as well (that business that believes all government is a mere thing for exploitation and private gain), a storm of indignation will meet us from all of those who have been parties to or partisans of the political system that has obtained in the past; and particularly that portion of the public press which is responsive

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to private interest and believes that private interest should control our government, will, in mock indignation and pretended horror, cry out against the desecration of the public service and the awful politics which would permit the people to rule. Much, doubtless, will be said of destructiveness, of abuse of power, of anarchistic tendencies and the like, and of the astounding and incomparable fitness of him who represents "big business" to represent us all. And in the end it may be that the very plan, simple, and direct, to which we have set ourselves in this administration will be wholly distorted and will be understood only by those who, with singleness of purpose, are working for a return of popular government in California.

It matters not how powerful the individual may be who is in the service of the state, nor how much wealth and influence there may be behind him, nor how strenuously he may be supported by "big business" and by all that has been heretofore powerful and omnipotent in our political life, if he be the representative of Southern Pacific politics, or if he be one of that class who divides his allegiance to the state with a private interest and thus impairs his efficiency, I shall attack him the more readily because of his power and his influence and the wealth behind him, and I shall strive in respect to such a one in exactly the same way as with his weaker and less powerful accomplices. I prefer, as less dangerous to society, the political thug of the water front to the smugly respectable individual in broadcloth of pre-

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tended respectability who from ambush employs and uses that thug for his selfish political gain.

In the consummation of our design at last to have the people rule, we shall go forward, without malice or hatred, not in animosity or personal hostility, but calmly, coolly, pertinaciously, unswervingly and with absolute determination, until the public service reflects only the public good and represents alone the people.

### THE INITIATIVE, REFERENDUM, AND RECALL.

When, with your assistance, California's government shall be composed only of those who recognize one sovereign and master, the people, then is presented to us the question of, how best can we arm the people to protect themselves hereafter? If we can give to the people the means by which they may accomplish such other reforms as they desire, the means as well by which they may prevent the misuse of the power temporarily centralized in the legislature and an admonitory and precautionary measure which will ever be present before weak officials, and the existence of which will prevent the necessity for its use, then all that lies in our power will have been done in the direction of safeguarding the future and for the perpetuation of the theory upon which we ourselves shall conduct this government. This means for accomplishing other reforms has been designated the "initiative and the referendum," and the precautionary measure by which a recalcitrant official can be removed is designated the "recall." And while I do not by any means believe the initiative, the referendum, and the recall are the panacea for all our

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political ills, yet they do give to the electorate the power of action when desired, and they do place in the hands of the people the means by which they may protect themselves. I recommend to you, therefore, and I most strongly urge, that the first step in our design to preserve and perpetuate popular government shall be the adoption of the initiative, the referendum, and the recall. I recognize that this must be accomplished, so far as the state is concerned, by constitutional amendment. But I hope that at the earliest possible date the amendments may be submitted to the people, and that you take the steps necessary for that purpose. I will not here go into detail as to the proposed measures. I have collected what I know many of your members have—the various constitutional amendments now in force in different states—and at a future time, if desired, the detail to be applied in this state may be taken up. Suffice it to say, so far as the recall is concerned, did the solution of the matter rest with me, I would apply it to every official. I commend to you the proposition that, after all, the initiative and the referendum depend on our confidence in the people and in their ability to govern. The opponents of direct legislation and the recall, however they may phrase their opposition, in reality believe the people can not be trusted. On the other hand, those of us who espouse these measures do so because of our deep-rooted belief in popular government, and not only in the right of the people to govern, but in their ability to govern; and this leads us logically to the belief that if the people have the right, the ability, and the intelligence

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to elect, they have as well the right, ability, and intelligence to reject or to recall; and this applies with equal force to an administrative or a judicial officer. I suggest, therefore, that if you believe in the recall, and if in your wisdom you desire its adoption by the people, you make no exception in its application. It has been suggested that by immediate legislation you can make the recall applicable to counties without the necessity of constitutional amendment. If this be so, and if you believe in the adoption of this particular measure, there is no reason why the legislature should not at once give to the counties of the state the right which we expect to accord to the whole state by virtue of constitutional amendment.

Were we to do nothing else during our terms of office than to require and compel an undivided allegiance to the state from all its servants, and then to place in the hands of the people the means by which they could continue that allegiance, with the power to legislate for themselves when they desired, we would have thus accomplished perhaps the greatest service that could be rendered our state. With public servants whose sole thought is the good of the state the prosperity of the state is assured, exaction and extortion from the people will be at an end, in every material aspect advancement will be ours, development and progress will follow as a matter of course, and popular government will be perpetuated.

### THE RAILROAD QUESTION.

For many years in the past, shippers, and those generally dealing with the Southern Pacific Company,

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have been demanding protection against the rates fixed by that corporation. The demand has been answered by the corporation by the simple expedient of taking over the government of the state; and instead of regulation of the railroads, as the framers of the new constitution fondly hoped, the railroad has regulated the state.

To Californians it is quite unnecessary to recall the motives that actuated the framers of the new constitution when article XII was adopted. It was thought that the railroad commission thereby created would be the bulwark between the people and the exactions and extortions and discriminations of the transportation companies. That the scheme then adopted has not proved effective has become only too plain. That this arose because of the individuals constituting the railroad commission on the part of the Southern Pacific Company not only to elect its own railroad commission, but also wherever those commissioners made any attempt, however feeble, to act, to arrest the powers of the commission, and to have those powers circumscribed within the narrowest limits. All of us who recall the adoption of the new constitution will remember that we then supposed the most plenary powers were conferred upon the commission. It has been gravely asserted of late, however, by those representing the railroad company, and they insist that in the decisions of our courts there is foundation for the assertion, that the constitution does not give the commission power to fix absolute rates. In my opinion this power is conferred upon the commission, and in this I am upheld by the at-

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torney-general of the state, and by the very able and eminent attorneys who represent the various traffic associations.

The people are indeed fortunate now in having a railroad commission of ability, integrity, energy, and courage. I suggest to you, and I recommend, that you give to the commission the amplest power that can be conferred upon it. The president of the railroad commission, Mr. John M. Eshelman, in conjunction with Attorney-General Webb, Senator Stetson, and others, in all of whom we have the highest confidence, has been at work preparing a bill which shall meet the requirements of the case, and I commend to your particular attention this instrument.

I would suggest that an appropriation of at least \$75,000 be made for the use of the commission that it may, by careful hearing and the taking of evidence, determine the physical value of the transportation companies in the state of California, and that the commission may have the power and the means to determine this physical value justly and fairly, and thereafter ascertain the value of improvements, betterments and the like, and upon the values thus determined may fix the railroad rates within the state of California.

It is asserted that some ambiguity exists in that portion of the language of section 22 of article XII of the constitution, which fixes the penalty when any railroad company shall fail or refuse to conform to rates established by the commission or shall charge rates in excess thereof, and it is claimed that the use of the last phrase "or shall charge rates in excess

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thereof" excludes the power to punish discrimination by the railroad companies. The rational construction of the language used can lead to no such conclusion; but if you believe there is any ambiguity in the constitutional provision as it now exists, or any doubt of the power conferred by it upon the railroad commission, I would suggest that this matter be remedied by a constitutional amendment. In no event, however, should action in reference to needed legislation and that herein suggested be deferred. It is not unlikely that the ingenuity of those who represent the railroad companies will pretend, and find some advocates in this, that all legislative action should await the amendment of the constitution. I trust that you will not permit this specious plea to prevail, but that you will at once accord the power to the commission that is designed by the bill referred to.

I beg of you not to permit the bogie man of the railroad companies, "unconstitutionality," to deter you from enacting the legislation suggested, if you believe that legislation to be necessary; and I trust that none of us will be terrified by the threat of resort to the courts that follows the instant a railroad extortion is resented or attempted to be remedied. Let us do our full duty, now that at last we have a railroad commission that will do its full duty, and let us give this commission all the power and aid and resources it requires; and if thereafter legitimate work done within the law and the constitution shall be nullified, let the consequences rest with the nullifying power.

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### AMENDMENT OF DIRECT PRIMARY LAW.

California took a long step toward popular government when the direct primary law was enacted. The first experiment under the direct primary law has been made, and despite the predictions of the cynical and the critical, the law has been a success and has come to stay. It may, however, be improved in many respects, and so recent has been the discussion of the minor imperfections of the act that they are familiar to us all; and I think the desire is general to remedy those defects. When the law shall have been amended and its imperfections corrected, and when it shall have been made less difficult for one to become a candidate for public office (and this should be one of the designs of amendment, I think), the important question of dealing with the candidacy for United States senator remains. Of course, the constitution of the United States requires that United States senators shall be elected by state legislatures. Notwithstanding the popular demand expressed now for a quarter of a century that United States senators should be elected by direct vote of the people, we have been unable to amend the federal constitution; but the people in more than half the states are striving to effect the same result by indirection. The result is that our people, in common with those of most of the states, are seeking to have the people themselves elect United States senators. I do not think it is extravagant to say that nine electors out of ten in California desire the electorate directly to choose United States senators, and if they possessed the power they would remove the selection wholly from

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the legislature. The present primary law in its partisan features does not attain the desired result. And the present law, in its provision relating to United States senators, is at variance with the wishes of an overwhelming majority of our people. Some of those who desire direct election may wish a selection made by parties, while others would eliminate all partisan features in such an election; yet all wish a selection by the whole state by plurality; and the present provisions of the primary law meet with the approval of none who really wish the election of United States senator by direct vote. I suggest to you, therefore, that the present law be amended so that there be a state-wide advisory vote upon United States senator; and the logical result of a desire to elect United States senators by direct vote of the people is that that election shall be of any person who may be a candidate, no matter what party he may be affiliated with. For that reason I favor the Oregon plan, as it is termed, whereby the candidate for this office as for any other office may be voted for, and by which the candidate receiving the highest number of votes may be ultimately selected. If in your wisdom you believe we should not go to the full extent expressed in my views, then, in any event, the primary law should make the vote for United States senator state-wide so that the vote of the whole state, irrespective of districts, shall control.

### SHORT BALLOT.

The most advanced thought in our nation has reached the conclusion that we can best avoid

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blind voting and best obtain the discrimination of the electorate by a short ballot. A very well known editor in our state, during a recent lecture at Stanford university, challenged the faculty of that great institution to produce a single man who had cast an intelligent vote for the office of state treasurer, and none was produced. Fortunately our state treasurer is the highest type of citizen and official. The reason the challenge could not be met was that, in the hurry of our existence and in the engrossing importance of the contests for one or two offices, we cannot or do not inform ourselves sufficiently regarding the candidates for minor offices. Again, we elect some officials whose duties are merely clerical or ministerial and whose qualifications naturally can not be well understood. Of course it is undesirable, and indeed detrimental, that we should elect officials of whom we know nothing and concerning whom the electorate can not learn and cannot discriminate. It is equally undesirable that those occupying merely clerical positions should be voted for by the entire electorate of the state. The result of a long ballot is that often candidates for minor offices are elected who are unfit or unsatisfactory. This conclusion, I think, has been reached by students and the far-seeing in every state in the union. If we can remedy this condition it is our duty to do so, and it is plain that the remedy is by limiting the elective list of offices to those that are naturally conspicuous. One familiar with the subject recently said: "The little offices must either go off the

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ballot and be appointed, no matter how awkwardly, or they must be increased in real public importance by added powers until they rise into such eminence as to be visible to all the people. . . . That candidates should be conspicuous is vital. The people must be able to see what they are doing; they must know the candidates, otherwise they are not in control of the situation but are only going through the motions of controlling."

The supreme court of the state has asked that the clerk of the supreme court, now elective, shall be made appointive. It is eminently just that this should be so. It is quite absurd that the people of an entire state should be called upon to vote for a clerk of the supreme court. The office of state printer is merely administrative. Presumably an expert printer is selected to fill this position, and in the selection of an expert no reason at all exists for the entire electorate selecting that particular expert. The surveyor-general likewise performs merely ministerial duties, presumably is only an expert, and his selection should be by appointment rather than election. The superintendent of public instruction, an expert educator, is in the same category. The government of the United States is conducted with all of its departments with only two elective officers, the president and vice-president. The president has surrounding him a cabinet, the members of which perform all of the duties that are ministerial in character. The treasurer of the state of California performs duties akin to those of the secretary of the treasury of the

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United States. He does nothing initiative in character, and his office could better be filled by appointment than election. The secretary of state is in reality merely the head clerk of the state, and as a clerk of the supreme court may be better selected by the supreme court itself, so the secretary of state, as chief clerk of the state, may be better selected by the head of the state. The attorney-general could in like fashion be appointed, and if appointed his office could be made the general office of all legal departments of the state. Every attorneyship of the state that now exists, of commissions, and boards, and officials, could be put under his control, and a general scheme of state legal department could thus be successfully evolved —a department economical, efficient, and permanent, and even non-partisan in its character if desired.

Were these various officials appointed by the governor, the chief officer of the state could surround himself with a cabinet like the cabinet of the chief executive of the nation, and a more compact, perhaps more centralized and possibly a more efficient government, established. I would leave the controller an elective officer because, theoretically at least, the controller is a check upon the other officials of the state, and thus should be independent. Were these suggestions carried out, the state ballot would consist of a governor, lieutenant-governor, controller, members of the judiciary, and members of the legislature. Of course, any change we might make as herein sug-

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gested could not operate upon officials now in office or during any of our terms.

I recognize that the reform here suggested is radical and advanced, but I commend it to your careful consideration.

### OTHER BALLOT REFORM.

All of the parties in the state of California are committed to the policy of restoring the Australian ballot to its original form; and, therefore, I merely call to your attention that restoration as one of the duties that devolves upon us because of party pledges.

### NON-PARTISAN JUDICIARY.

And the return of the Australian ballot to the form which first we adopted in this state provides an easy mode for the redemption of the promises that have been made in respect to non-partisan judiciary. With the party circle eliminated, and with the names of the candidates for office printed immediately under the designation of the office, when upon the ballot the title of the judiciary is reached, the names of all the candidates may be printed without any party designation following those names; and in this fashion all of the candidates for judicial position will be presented to the people with nothing to indicate the political parties with which they have been affiliated.

### COUNTY HOME RULE.

One of the most vexatious subjects with which legislatures have to deal is respecting classification, salaries, etc., of the various counties. The astonishing amount of time occupied by our legislature in

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county government bills can only be understood by those who have been familiar with legislative work. I quote from a report by Controller Nye upon the subject:

"The first legislature after the adoption of the constitution commenced by making ten classes of counties, which number soon increased to more than forty, and at the present time there are fifty-eight classes, exactly equaling the number of counties.

"If there were no other evidence of the folly of trying to legislate on county salaries by general laws, this would be conclusive. But the change of these general laws to meet the supposed needs of different counties has been incessant. In the legislative session of 1905 there were forty-five amendments to the salary schedules of as many counties; in 1907 there were fifty-seven such amendments, one for every county then existing, and in 1909 there were fifty.

"So great are the evils of this form of legislation that we deem the only permanent remedy for them to be the submission and adoption of an amendment which will permit each county, proceeding along the same general lines as those prescribed for cities, to draft its own county government act, subject to ratification by the legislature. The amendment should enumerate the subjects which may be embraced in these county government acts, or county charters, so framed, and they should include the number and compensation of officers, the granting or withholding of fees, the determination whether the county board of supervisors shall be elected by districts or at large, also the determination whether other county officers shall be elected or appointed, and such other similar matters of local concern as will not interfere with the operation of the general plan of state government."

I quite agree with the views expressed by our

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controller, and adopt his recommendation. It is but just and proper that counties should rule themselves just as cities do, and if this be accomplished we will have succeeded in taking from the legislature perhaps a most vexatious subject, and one with which of necessity it oftentimes can not deal with intelligence, and we will have saved to the legislature and the state the immense amount of time that is now expended by the legislature upon the subject. Of course, care must be exercised in any change that practical uniformity is preserved.

### CIVIL SERVICE AND THE MERIT SYSTEM.

In the first subject with which I have dealt, I defined clearly my attitude in regard to public service. Too often it has occurred that appointments to the public service have been made solely because of political affiliations or as a reward for political service. It is a design of the present administration to put in force the merit system, and it is our hope to continue that system by virtue of a civil service enactment. The committee recently appointed by the republican state central committee presented an act, covering the subject, which I commend to you.

### CONSERVATION.

In the abstract all agree upon the policy of conservation. It is only when we deal with conservation in the concrete that we find opposition to the enforcement of the doctrine enunciated originally by Gifford Pinchot and Theodore Roosevelt. Conservation means development, but development and preservation; and it would seem that no argument should be

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required on the question of preserving, so far as we may, for all of the people, those things which naturally belong to all. The great natural wealth of water in this state has been permitted, under our existing laws and lack of system, to be misappropriated and to be held to the great disadvantage of its economical development. The present laws in this respect should be amended. If it can be demonstrated that claims are wrongfully or illegally held, those claims should revert to the state. A rational and equitable code and method of procedure for water conservation and development should be adopted.

### REFORMATORY FOR FIRST OFFENDERS.

Humanity requires that we should provide a reformatory for first offenders. All of us are agreed upon this matter, and your wisdom will determine the best mode of its consummation.

### EMPLOYERS' LIABILITY LAW.

Upon the righteousness of an employers' liability law, no more apt expression can be found than that of ex-President Roosevelt on last labor day. He said :

"In what is called 'employers' liability' legislation other industrial countries have accepted the principle that the industry must bear the monetary burden of its human sacrifices, and that the employee who is injured shall have a fixed and definite sum. The United States still proceeds on an outworn and curiously improper principles, in accordance with which it has too often been held by the courts that the frightful burden of the accident shall be borne in its entirety by the very person least able to bear

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it. Fortunately, in a number of states—in Wisconsin and in New York, for instance—these defects in our industrial life are either being remedied or else are being made a subject of intelligent study, with a view to their remedy."

In this state all parties stand committed to a just and adequate law whereby the risk of the employment shall be placed not upon the employee alone, but upon the employment itself. Some new legal questions will be required to be solved in this connection, and the fellow servant rule now in vogue in this state will probably be abrogated and the doctrine of contributory negligence abridged. It is hoped that those in our state who have given most study to this subject will soon present to you a comprehensive bill, and when this shall have been done the matter will again be made a subject of communication by me.

I have purposely refrained today from indulging in panegyrics upon the beauty, grandeur, wealth, and prosperity of our state; or from solemnly declaring that we will foster industries, and aid in all that is material. It goes without saying that, whatever political or other differences may exist among our citizens, all are proud of California, its unbounded resources, its unsurpassed scenic grandeur, its climatic conditions that compel the wondering admiration of the world; and all will devotedly lend their aid to the proper development of the state, to the protection and preservation of that which our citizens have acquired, and that which industrially is in our midst. Ours of course is a glorious destiny, to the promotion and consummation of which we look forward with pride and affection, and to which we pledge our

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highest endeavor. Hand in hand with that prosperity and material development that we foster, and that will be ours practically in any event, goes political development. The hope of governmental accomplishment for progress and purity politically is with us in this new era. This hope and wish for accomplishment for the supremacy of the right and its maintenance, I believe to be with every member of the legislature. It is in no partisan spirit that I have addressed you; it is in no partisan spirit that I appeal to you for aid. Democrats and republicans alike are citizens, and equal patriotism is in each. Your aid, your comfort, your highest resolve and endeavor, I bespeak, not as republicans or democrats, but as representatives of all the people of all classes and political affiliations, as patriots indeed, for the advancement and progress and righteousness and uplift of California.

And may God in his mercy grant us the strength and the courage to do right!

## WHY THE PROGRESSIVE PARTY WAS ORGANIZED IN CALIFORNIA.

### FACTS REGARDING THE REFUSAL OF THE TAFT ELECTORS TO GO ON THE BALLOT BY PETITION.

The question is frequently asked why the California progressives, after having obtained possession of the republican party, left the party and established in California the progressive party. The answer is to be found, of courses, in the national situation. The progressive republicans of the United States undertook to do in Chicago in 1912 what had been done in California, but were prevented from doing so by a demonstration of power on the part of the national organization which made it certain that the effort was permanently hopeless. At that convention the power of the voters and their representatives on the one side and that of the organization and its power on the other were both exercised to the full limit and on that test the organization prevailed over the voters. It was demonstrated that the republican party could not be made progressive merely by the conversion of the majority of its members to progressive principles. The party was so organized that its members could not control it, and that organization was deliberately perpetuated for the sake of preventing them from controlling it in 1916. Since that time it has been proposed to call another national convention to undo the wrong in party organization then committed, but the national republican committee was afraid to trust the voters of that party and re-

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fused to call the convention, offering instead the subterfuge of a partial and impotent pretended reform in the rules of the game, which was carefully kept within the limit of safety to the organization as against the voters. It was thus demonstrated that in 1916 as in 1912 the republican party nationally could not be made the organ of the progressive movement except to the exact extent to which it might be permitted to go by the exact holdover organization controlled by Barnes and Penrose, which tied its hands in 1910.

The progressive and reactionary movements in both the old parties had long been growing apart and it only needed some crisis like this to make the separation definite and permanent. Logically there had been for years no reason except tradition why progressive republicans and progressive democrats should belong to separate parties and should be united in these parties with reactionary republicans and democrats whose chief purpose in life was to prevent the things which the progressive desired to accomplish. How long ago this separation was logically due is a matter of difference of opinion. Ambassador James Bryce in his "American Commonwealth" fixes the date at 1879 and says that from that date until now both the republican and democratic parties have ceased to represent different divisions of the people on present issues. Most observers would perhaps not put the date so far back as that given by the philosophic Englishman, but by any estimate the separation which did not happen practically until 1912 had been due in principle for a long time before.

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### THE SITUATION IN CALIFORNIA.

When the republican and progressive parties separated nationally the progressives of California found themselves in an anomalous practical position. The party which was called republican in California was actually progressive. Its national affiliations were with the national progressive party. But it happens that national parties have no legal existence, while state parties are not only recognized, but in many states, as in California, they are strictly regulated by law. The California primary law had made no provision for the unprecedented situation of an entire party in the state being separated from its affiliations with the party of the same name in the United States. The California republican party had not changed, but the national republican party had left it. To be true to its principles the California republican party had to change its national affiliations and it did so. But the change of its name would have to be a state matter accomplished under the forms of state law, and there was no way of doing this under the primary law, nor any time within which the primary law could have been changed, even by an extra session of the legislature. The law then provided no means whereby a new party could nominate its candidates by primary.

As applied to presidential electors this would have been perhaps of relatively minor importance, since the personality of the electors is unimportant, and they could easily be selected by a committee and nominated by petition. This in fact actually was done by California progressives in their capacity as pro-

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gressives and the Roosevelt electors were nominated by petition as progressives. But the preservation of a progressive legislature was perhaps the most vital issue then before the people of California, and there was no way to nominate candidates for the legislature except either by primaries or by the arbitrary action of self-appointed committees. The latter alternative except as to the merely perfunctory nominations for electors was obviously untenable and the former alternative could not be resorted to under the law except by a party which had been in existence and cast two per cent. of the vote at the last election. So far as the state of California was concerned the progressives were such a party, registered as members of it, and in full possession of its organization. The only difficulty was that this party retained under the law of California the *name* of republican, which name the action of the Chicago convention had now given a meaning inconsistent with the actual affiliations of the California progressives. The dilemma was not easy to solve, but it was solved in favor of continuing the California organization under the *name* republican *but with no pretense of affiliation with the national republican party as then organized.* The inclusion of the presidential electors in this situation was automatically brought about by the provision of the law making the legislative nominees a convention for the adoption of a platform and the nomination of electors. Since the progressive nominees for the legislature had to be nominated as republicans or else not to be nominated by primaries at all, it followed that these nominees, when chosen,

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must nominate electors pledged either to the candidate whom they and their constituents favored, or to a candidate to whom they were opposed and whose national nomination happened to be under the name republican. If there had been any evasion or concealment in regard to this the former alternative might have been open to criticism. But the exact opposite course was followed. *Candidates for legislative nomination openly announced that if chosen at the so-called republican primaries they would vote for the nomination of Roosevelt electors* and the question was thus frankly submitted to the registered voters who constituted under the law the California republican party, whether or not they wished this course to be taken. *By an overwhelming majority these voters approved this course*, and the legislative candidates, acting as a party convention, adopted a platform openly repudiating the national republican convention and its nominee, definitely affiliating the California republican party with the national progressive party and nominated electors pledged to vote for Theodore Roosevelt. In order to make the situation entirely plain these electors were *also nominated by petition as progressives* and went on the ballots under both names, so that every voter understood that they represented the national progressive party and in California that party which the law defined by virtue of its former affiliations under the name republican, but which by the vote of its members and the declaration of its platform was now in national affiliations progressive. A small minority of the convention bolted and nominated Taft electors. The

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nominations made by this minority had no validity in law, but the nominees under the name Taft republicans, regular republicans, national republicans or some other clearly designating title could easily have been made by petition as was done by the progressive nominees, and the Taft electors would then have been on the ballot in quite unambiguous fashion. The reactionary managers of the Taft forces in California thought they saw a strategic advantage in playing the part of martyrs and therefore *refused to take this action* for the deliberate purpose of keeping the Taft electors off the ballot and raising the cry that they had been kept off by some improper procedure.

It was a very ingenious piece of tactics and was unquestionably in part successful. The close vote of California at the final election was undoubtedly due to the confusion of thought temporarily caused by this false issue artificially raised by the reactionary tacticians. At the following session, the legislature promptly changed the primary law so as to make it easy for any party, new or old, to make use of the primary system under its own name. The reason for the maintenance of a party in California under the name of republican which was actually affiliated nationally with the progressive and not with the republican party therefore ceased to exist, and at the first opportunity pending the opening of the present campaign a conference was held in San Francisco at which the progressive party of California as such was formally launched. The party is new in nothing but name. It is the same party, composed for the most part of the same voters, acting under the same

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leadership and devoted to the same principles as the party which under the progressive republican name has accomplished the historic revolution in the political condition of California. The only thing that is changed is the name and the change in name is made necessary by the fact that national events have changed the meaning of the old name. Nationally the word republican now refers to the reactionary party lead by Barnes, Penrose and Root, which has repudiated everything for which the California progressive party stands. *It became necessary for the California party to choose between remaining loyal to a principle by discarding a word or clinging to the word at the price of disloyalty to principle.* For a party such as the progressive party of California there was of course but one choice to make and at the first opportunity after the legal machinery for doing so could be provided this choice was publicly and formally made.

## NEITHER THE REACTIONARY NOR THE SO-CALLED "PROGRESSIVE" FACTION OF THE REPUBLICAN PARTY IS ENTITLED TO ANY CREDIT FOR THE WORK DONE BY GOVERNOR JOHNSON'S ADMINISTRATION.

One of the highest and sincerest compliments that could have been paid to Governor Johnson's administration is that both factions of the republican party claim credit for the accomplishments of Governor Johnson and the legislatures of 1911 and 1913.

At the conference of machine republicans held at Santa Barbara early in February there was much ado about the "progressiveness" of the republican party. Although neither Governor Johnson nor the members of the legislature nor any member of the state government nor any citizen of prominence that had supported the great progressive measures participated in the Santa Barbara conference, the reactionary politicians, most of whom had actively opposed the progressive policies of the Johnson administration, boldly insisted that the republican party, represented by themselves, was the agency through which the popular progressive measures had been adopted. The participants in the Santa Barbara conference will not support Governor Johnson for re-election, but they appeal to the people for support on the strength of what the Johnson administration has done.

On the other hand, the handful of so-called "pro-

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gressive" republicans who met at Stockton on February 7th, are a good deal less interested in progressive measures than in breaking-up the progressive party and defeating the progressive candidates. They spent their time resolving that Governor Johnson was a tyrant who had made the people his "spiritual serfs"—whatever that may mean—and who denied the people the right and the opportunity to vote in accordance with their consciences. This revengeful group, while declaiming about "spiritual serfs," frankly bases its condemnation of Governor Johnson on the ground that in the exercise of his independent judgment he supported Theodore Roosevelt instead of Robert M. La Follette for the presidency. And, of course, the Stockton group, like the Santa Barbara group, claim the credit for the progressive measures of Governor Johnson and the legislatures of 1911 and 1913.

The direct and short answer to the claims of the Santa Barbara faction and the Stockton faction of the republican party is that Governor Johnson and the other men who did the work for which these groups claim credit are in the progressive and not in the republican party.

It is strange that if the republicans who met at Santa Barbara, and those who met at Stockton are so proud of the Johnson administration they should be opposing Governor Johnson and the members of his administration.

True, Governor Johnson was elected in 1910 as a republican, but that was before there was a progressive party. He was nominated at a direct primary

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by the votes of those citizens who now compose the progressive party and in the face of the most strenuous hostility on the part of those citizens who now, while denouncing him, insist that they and not he are responsible for the great progressive work done in California in the past three years.

All the parties, and all the factions, are loudly asserting their progressiveness. Why, then, should any man or woman hesitate to join the progressive party itself; the party which includes those proved progressives who have redeemed California from machine control and restored the government to the people?

Apparently, since all factions claim credit for the progressive measures of the Johnson administration those measures must have pleased the people.

To whom, however, should the people commit the preservation and perpetuation of those progressive measures? To the reactionaries who met at Santa Barbara under the republican name and endorsed those measures which they had formerly opposed? To the "progressive" republicans who met at Stockton and denounced Governor Johnson, and whose main purpose is to destroy the progressive party in California? Or to the militant group of men and women headed by Governor Johnson organized as the progressive party, who have sponsored and enforced those progressive measures from the beginning?

## WHAT THE PROGRESSIVE PARTY STANDS FOR.

EXCERPT FROM AN ARTICLE BY EX-SENATOR ALBERT J. BEVERIDGE IN COLLIER'S WEEKLY, JANUARY 31, 1914.

Let us state three broad principles from which every line and paragraph of the progressive party platform flows, and illustrate each principle by an example of a typical policy and measure which the progressive party will carry out when the people give it power.

*First*—The progressive party stands for John Marshall's principle of nationality, and therefore for the general policy that congress should pass such national laws as the welfare of the whole people requires; and, therefore, for such measures as the national child-labor law to end child labor throughout the entire republic, or such laws as those with which the progressive party proposes to handle the trust question, or the tariff muddle, or other phases of the absurd business situation in the United States. These are a few examples of national law-making growing out of the progressive party's principle of nationality.

Both old parties are against this principle, this policy, and this class of legislation. Both old parties are against a national child-labor law, against the progressive party's method of dealing with the trust question, and straightening out our ridiculous business laws which so sadly hamper honest American business men and so heavily burden American prosperity.

This is proved by the fact that the conventions of both old parties refused to put this broad national principle, this comprehensive national policy, and the specific measures growing out of that principle and

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that policy, into their national platforms, although both old parties were asked to do so.

*Second*—The progressive party stands for Thomas Jefferson's principle of the rule of the people; and, therefore, for the policy of the right of the people to pass on their own laws and public servants at any time they please; and, therefore, for such measures as the initiative, referendum, and recall, in every state of the whole country, or such measures as presidential primaries and other like legislation giving the people themselves the last word over their own affairs, instead of giving politicians and the evil interests back of them the last word over the people's affairs. As the people are the source of all power, the progressive party believes that when the people's two servants, the legislature and the courts, twice disagree as to what some part of the people's constitution means, then, after taking plenty of time to think it over, the people may decide what their own constitution really does mean, if they wish to do so. These are a few examples of popular-government lawmaking growing out of the progressive party's principle of the rule of the people.

Both old parties are against this principle, this policy, and this class of legislation which the progressive party will carry out when the people give it power to do so. This is proved by the fact that the old parties' conventions refused to put this broad principle of popular rule, this comprehensive popular policy, and the specific measures growing out of that principle and that policy into their national platforms, although both old parties were asked to do so.

*Third*—The progressive party says that the doctrine of the Manchester school that human labor is a commodity to be bought at the lowest possible market rate like wheat, coal, or machinery, and used up till its efficiency is exhausted, is unsound in

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economics and vicious in morals; and we stand for the modern and opposite doctrine that laborers are as much a human element in our civilization as are merchants, or bankers, or anybody else. Therefore, we stand for the human policy in dealing with that tangle of present-day questions known as the labor problem; and, therefore, we declare for the eight-hour day, the national ending of child labor, the peculiar care of women workers, and the entire list of social and industrial measures set forth in the social and industrial section of our platform. These are a few examples of humanitarian lawmaking growing out of the progressive party's principle of treating labor as a human force instead of a mere commodity. That both old parties are opposed to this principle, this policy, and this class of legislation, is proved by the fact that they both refused to adopt them in their national platforms, although asked to do so.

The two old parties do not accept these three fundamental principles on which the progressive party is founded and are against the broad policies and the program of specific laws growing out of these fundamental principles. Read the platforms of the three parties and you will find that there is a good deal more reason for an amalgamation of the republican and democratic parties than for any sort of union between either of the old parties and the progressive party. And just that—the merger of the conservative republicans and democrats into a genuine conservative party—is what should happen in the end.

## WILL THE PROGRESSIVE PARTY SURVIVE?

(By Peter Clark Macfarlane. Reprinted by permission from Collier's Weekly of January 24, 1914.)

Yes—judging by the anxiety writ so large upon the faces of republican leadership. One hears of conferences and camp fires, of consultations and mass meetings, or readjustments and reorganizations and reorientations; of the ousting of leaders, of the retirement of issues, of the resuscitation of principles, of the knocking to pieces of platforms, of the burning up of old planks, of the hewing of new ones; of changing the rules, of altering representation, of shifting the line-up, of doing anything and everything that may enable the party to recover something which it confesses itself to have lost.

### A VERY LIVELY POSSIBILITY.

Stuck around in various nooks and corners of the news, hidden under tons of verbiage, and concealed among miles and miles of type, are incidents described with much circumlocution and delicacy of phrasing, which, baldly interpreted, shout loudly of stiff necks bowed down, of proud ears bent low, of haughty hearts grown humble, and even of Lucullan lords preparing, with such gusto as they may, to feed themselves full at banquet tables where the entire menu from soup to sassafras consists in one form or another of that fine old American political game bird, the crow.

That, to the eye of the astute political observer,

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the progressive party appears as a very lively possibility is advertised in many ways.

It will be remembered that early in December the republicans of New York state held what they were pleased to call a mass meeting at the Waldorf-Astoria. The meeting, which was said to have been "remarkably representative," distinguished itself by swallowing whole as many planks from the progressive platform as could be gorged conveniently at one time.

The New York "Evening Post," commenting upon this meeting, began one sentence thus: *That this action was in a large measure caused by pressure arising from the existence of the progressive party need not be denied. . . .*

### THE REPUBLICAN FEAR OF "SHUFFLING OFF FIRST."

The New York "World," referring to this same matter, and especially to the attitude of Senator Root, which was in such marked contrast to his position at another meeting of comparatively recent history, declared: *He knows that the republican party was split because its leadership had failed to keep in sympathy with the masses. . . .*

Masses, in this connection, of course, could have no other meaning than a certain 4,280,886 particular persons who voted for Theodore Roosevelt for president of the United States last November a year.

Upon such a showing alone it is easy enough to conclude that it is the judgment of a body of men who from time to time give evidence of supposing themselves to be the most astute body of politicians

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in America that the progressive party, if dying, as they so loudly and so frequently proclaim, is passing away so slowly that a certain other party is in imminent danger of shuffling off first.

Even the democrats confess to feeling this pressure. When, a few weeks ago, the New York legislature was meekly hurrying into the statute books almost the identical direct primary law which in the spring months it had haughtily rejected, and in the course of the debate a republican senator had taunted a Tammany senator with his change of front, the Tammany senator blurted out in reply: *The Bull Moosers are the real causes of the action we are about to take on this bill.*

### A COLLECTION OF GRASS-ROOT OPINIONS.

However, the question which this article proposes is quite too large a one—quite too important—to be decided offhand according to the behavior of a body of politicians who, no matter how bright they appear to themselves to be, have given proof that as diagnosticians they shine best at a post mortem.

There are, of course, all sorts of opinions afloat regarding the future of the progressive party. Some of these predict an early loss of its identity. Most of such opinions proceed from Washington, where they have had the republican party with them so long that it seems difficult to believe that it and the political universe are not coterminous. Yet quite obviously all that Washington can have on this subject is second-hand information.

Quite obviously, too, much of the opinion begotten

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there is fathered by hope which, as in the past, may prove itself ill-starred.

What I have sought to gather, therefore, is a collection of grass-root opinions. These were picked up in the course of some 25,000 miles of travel, during which the continent was two times crossed in each direction, while twice the writer vibrated from the Mexican border to the top of the map, and once sloshed over into Canada.

They are garnered from men of all parties and many classes—workingmen, professional men, business men. A few of them are the views of conservatives and liberals in Calgary, Winnipeg, and Toronto—observers whose keen scrutiny of the trends and times in “the states” insures that their shrewd ex-parte opinions will be as instructive as they are interesting.

### **PROGRESSIVE PARTY HAS CONCRETE EXISTENCE.**

My first discovery was the concrete existence of the party itself. The whole thing had been so recent, the movement so sudden, the incidents of the campaign so surcharged with the dramatic and the emotional, that it was almost natural to suppose that a few months after the election reaction would set in—that the men and women who voted for Roosevelt should think of themselves as a flying wedge of protest, and once the protest was over and the lesson administered, they would settle back into the republican ranks, confident that their wishes were to be regarded in the future. This was an almost natural inference and undoubtedly explains the forwardness

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of the present republican party, whatever its extent, to say, and in a measure believe, that the new party is trickling back into the old.

But this is quite clearly an expectation not justified. Everywhere I talked to the rank and file of the new organization it was absolutely astonishing to see how clear, in the line of their thinking, is the demarcation between the republican party and the progressive party. They are not to be regarded as republican insurgents or republican protestants. No doubt there were such. No doubt some of these did drift back after the election and mentally ally themselves with the republican party. But there is no means of knowing how many there were. And the significant thing is that I do not remember meeting personally in any one of the hundreds of conversations anywhere one who had voted for the progressive ticket and who announced that he was returning to the republican party, and I did meet by the hundreds men and women who declared themselves to be permanent adherents of the progressive party. To them the progressive party did not exist as a party of protest but as a party of advance. In joining it they had declared allegiance to something very new but very tangible and very vital—to espouse which had been for them to enter upon a new way of political life from which they could not turn back without betraying at once themselves and their times.

### A GATHERING ELEMENT OF TREMENDOUS FORCE.

The next thing observed was a sense of homogeneity, a feeling of at-homeness with each other, a solidarity, a singularly adhesive group-consciousness

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which had developed among them with astonishing rapidity. They flocked together easily. They worked together instinctively at the call, not so much of any leader as of any issue that offered opportunity for the application of advancement of any principle of progressive doctrine.

When there was no occasion to call them together I frequently found it the habit of the progressives of a community to meet, on principle, at a weekly or a monthly luncheon or dinner. The object of these meetings was not to discuss details of party management, not to divide the spoil, not to determine upon policies that might be popular, but for intelligent conference upon and discussion of pending legislative measures or of questions or principles of government. Incidentally, too, the meetings were apparently for fellowship, not so much social as moral and intellectual. Nor were these hymn-singing meetings. There was no evidence of gush, no trace of fanaticism. They were conferences of earnest persons seeking light upon a set of political problems which it is felt this age must solve.

The effect of all this intelligent concentration of thought, not during the fever of a campaign, but in the quiet months of the year, seemed to me to bespeak a gathering element of tremendous force in the voting season. To observe such a meeting in a California city, for instance, where the progressives are in control—to see senators and assemblymen, judges from the bench, and public commissioners of various sorts mingling freely with their constituents, all with open mind and attentive ear—without guff or bun-

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combe or shouting of shibboleths, addressing themselves seriously to the broadest, the most scientific, the most patriotic consideration of questions of government, was to rout pessimism from the heart and to revive a joyous faith in popular government.

### A LONG FAITH AND A STUBBORN.

In fact, that is one of the most definite, forcible impressions made by these progressive gatherings. Their greatest faith after all is not in principles, and not in programs, but in people, in the ultimate ability of the popular mind to solve the popular problems.

Their determination is, above all else, to so reconstruct party machinery and methods of making and interpreting and enforcing laws that the government may really be a government by the people.

And theirs, I should say, is generally a long faith and not a short one; that is, they are not so much concerned that they shall win the next election as that they shall stand for their principle till it triumphs. This is a state of mind which persons who talk glibly of consolidating the two parties fall, I believe, to take into account. There is a kind of stubbornness manifested by these people. They are weary of being hoodwinked. Some of them are by no means hopeful of immediate victory. For this reason they are not going to be easily caught by any hook baited with compromise, by any argument for the sacrifice of principle in order to gain victory. They feel that too many empty victories have been won already. They would just as soon be on the losing side for a while till the opportunity to score a victory that is real comes to them.

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Indeed, that sentiment is rather widespread today in the mind of the man at the bottom, regardless of his party affiliations. He is just about through with being pulled around by the nose. His attitude toward the turn of events is one of watchful waiting. He has not made up his mind yet, but he is thinking—thinking—thinking—and while he waits with a patience so sublime that it may be misunderstood—he sits flexing the muscles of the mighty arm of his wrath.

Certainly in the progressive party there is a big element which is going where it is going. If anybody else comes along, all right; if not, still all right.

That situation was rather clearly exemplified in the recent congressional election in Maine. This was Blaine's old district. After him it was Reed's. It was one of the most perfectly organized districts anywhere in the republican machine, and was campaigned by distinguished republicans of national fame and unquestioned progressive leanings. House-to-house visitations were made upon the progressives, in which the argument was freely employed that Roosevelt would be the nominee of the republican party in 1916.

### **THERE'S A PARTY BACKBONE AND IT WORKS.**

The progressives themselves were not in shape to make a very vigorous campaign, and yet, in spite of the best efforts of the republicans, 6000 of these men went to the polls and cast progressive ballots.

A similar situation was revealed in the Michigan election last spring, which was for a few state officers, not including the governorship. It is an initial principle of American political experience that a state or national ticket to bring out anything like the real

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voting strength of the party must be backed by a full ticket right down the line—county, city, and township.

In this election it is estimated that there was not one progressive township ticket in twenty-five, not one county ticket in fifteen, not one city ticket in twenty, and yet with nothing whatever to lead them to the polls save the desire to record their allegiance to the few state candidates of the party which they had so recently espoused, more than one hundred thousand men cast progressive ballots.

It is from this feature, present in all elections held since the presidential campaign of 1912, that the progressives have drawn so much of comfort and inspiration, notwithstanding the fact that many times their vote has fallen below the presidential vote of 1912. It all shows that, despite the still unorganized conditions, the vertebrae of a party backbone are there and articulating themselves by instinct.

One of the most astonishing things to me about the movement as I traveled was the confidence everywhere displayed by its leaders. Surely these men had been in the movement long enough to shed all illusions of temporary zeal. The presidential vote of 1912 was millions under what they had hoped for. Almost every election since has had in it some seeds of disappointment as well as grounds of hope. Yet here was this enthusiastic faith in the future, topping all discomfitures and continually proving itself genuine by a corresponding boldness of action.

### SAWING OFF REPUBLICAN ATTACHMENTS.

In California, where, under the name of republicans, the progressives have been in absolute control for

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three years, they are deliberately abandoning the republican insignia, and Governor Johnson will make his campaign for re-election under the progressive name, with probably a republican and a democratic candidate opposed to him.

In Kansas the progressives have carefully sawed off the limb between themselves and the republican tree. In South Dakota the same process is under way.

In many places, indeed, republican attachments are being got rid of hastily as of something doubtful, not to say odious, and from Johnson on one coast to Bird upon the other, progressive leaders wear a smirk of confidence that is in revealing contrast to the gloom which sits upon the republican brow. The foundation of this confidence appears to be in part faith in the progressive issues and in part definite knowledge of a steady subsurface drift to the progressive party.

### NO MORE POLITICAL VOODOOISM.

I asked Progressive Congressman Roy O. Woodruff of the tenth Michigan district to give me some instances illustrative of this subsurface movement which all the party workers declare to be now going on.

"Well," he answered without a moment's hesitation, "here are some in my district: In Iosco county the probate judge elected on the republican ticket is now the chairman of the progressive county committee; in Alcona county the chairman of the board of supervisors, elected on the republican ticket, is now the progressive county chairman; in Oceana county the

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chairman and secretary of the republican committee have resigned to go into the progressive party; in Lake county, only last September the entire republican committee resigned to come over to the progressive party."

"And that," he added, "I believe from what I hear in Washington, is only typical of a vast subsurface movement that is on all over the country."

It reminded me of something I heard in Kansas, an event of last summer, but likewise significant. Will Allen White had been the chairman of the republican state central committee and national committeeman from that state. When he resigned to enter the progressive party, a new chairman was chosen to succeed him. When the republican state committee met to consider some program of harmonizing the two parties, the first business it had to consider was a letter from this new chairman announcing his resignation because he was that day entering the progressive party.

But we may ourselves apply an independent test by examining the popular attitude toward those issues with which the progressive party is especially identified.

Open-eyed self-examination; abandonment of fetish worship and political voodooism; solutions of today for problems of today; an "awakened sense of justice"; intelligent social sympathy, not socialism and not individualism gone mad; the perception of a human vein from top to bottom of industry and of society; a frank recognition that every man for himself and the devil take the hindmost is not the highest

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refinement of justice of which this age is capable, nor with which it will be content—this was the spirit breathed by the progressive platform. He would be a pessimistic man indeed who did not find this spirit an expanding one in the United States at the present time.

If we turn from a contemplation of the spirit of this platform to its distinctive and practical measures—something entirely different—we can form conclusions less general and more satisfactory.

### LIVE PROGRESSIVE DOCTRINES.

Take the tariff. Let no one hastily conclude that the tariff question was settled or forced out of politics with the passage of the Underwood bill. It was not. (More's the pity.) The feeling is strong in some parts of the country that this was a very sectional settlement of the question, unjust because unequal, and temporary in proportion as these inequalities become apparent. Farmers complain that the tariff came off from all they sell and stayed on for all they buy. Manufacturers grumble. Workingmen cease to be employed. And yet the country will have none of high tariff and the voters generally weary of the subject as a political issue. But even the dissatisfied ones turn with hope to the tariff plank of the progressive platform, which promised a definite downward revision, but proposed that it should be done scientifically as a piece of commercial expediency and not haphazard as to the galleries by political sharps.

If we consider the trusts—it was here that the progressive platform was most distinctive and most

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in advance, recognizing that big business, while not necessarily bad business, was potentially dangerous business. Just as the factory operative must have about him guards, controls, and safety appliances to protect him from the misdirected power of his own machine, so government must provide the checks, balances, controls, and safety appliances which shall insure that these new and mightier instruments of human progress shall keep place as servants of society and not its masters, as the helpers of mankind and not the despoilers thereof.

### CLOSER AND CLOSER TO THE PEOPLE'S FAVOR.

To this end the progressive platform advocated in a modified form the La Follette idea of a huge industrial commission, which should have immense powers and rule the world of business as the inter-state commerce commission now rules the world of transportation.

Judging from the news, this plan gains adherents every day. The hint even comes from Washington that some such proposal may blow up on the next breeze from the White House, and this notwithstanding certain speeches made by a certain gentleman during a certain campaign.

Or turn to the whole subject of a closer hold of the people upon the reins of government, direct elections, direct primaries, short ballots, more carefully supervised elections. Are not these the concessions which are everywhere being wrung from the weakening hands of the bosses? The initiative, the referendum, and the recall—does not each year bring a widening

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recognition of these as legitimate and necessary instruments of self-government in an enlightened democracy? Each day we hear of their employment, and he sees but ill who does not perceive within the zones of government where they exist, or where their mere proposal commands much adherence, both a better class of official service and a more alert and conscientious electorate because of the greater sense of responsibility that comes with recognition of a growing nearness to the throne of power.

Take what seemed perhaps the rashest of progressive planks—equal suffrage. Are there any to argue that the cause of equal suffrage is a less popular issue today than it was eighteen months ago? Within the past year equal suffrage has had the serious consideration of twenty-eight legislatures. Illinois has granted it with a few limitations. Alaska has granted it. The legislatures of nine states, two of them the most populous in the union, have acted favorably upon proposals for suffrage amendments to the constitution. Yes, without a doubt the day of our sister in the voting booth is rapidly approaching, and the progressive party alone of the major national organizations holds out a hand to welcome her and advocates her cause.

For our last look we may contemplate that whole program of human conservation which concerns itself with working conditions, wage conditions, safety, sanitation, compensation, etc., and generally manifests intelligent and sympathetic consideration for the human element in industry, all of which is more fully and systematically embraced in the progressive plat-

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form than elsewhere. Is not this a waxing issue? Are not the very hours instinct with a passionate determination to protect and conserve the health, prosperity, and happiness of our men and women who work?

### THE STRENGTH OF ITS STRATEGIC POSITION.

Surely, if these issues were good enough to command the allegiance of several million voters in 1912, when all were obscured by a mephitic cloud of personalities, they should win a much larger support in 1916, when for four years every tick of the clock has been a beat of the drum for one plank or another of the progressive platform.

And now it remains but to view the up-to-now achievements of the progressive party and judge of the strength of its strategic position, and we shall have facts enough upon which to base a reasonably satisfactory answer to our topical interrogatory.

We come first, of course, upon the familiar facts of the progressive party's history: that it cast four and one-quarter million votes at the last presidential election; that it has twenty representatives in congress; that it is in absolute control of the governmental machinery of two states, California and South Dakota; that it is in favorable position to gain control in certain other states; that in New York state it has twenty assemblymen, while seven republican assemblymen were elected with progressive indorsement, and twelve democrats, making thirty-nine votes that may be counted upon to take the right side of any progressive legislation; and that in practically every northern and western state there is a smaller or

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larger group of progressive legislators never missing an opportunity to advertise the progressive position and solution on whatever piece of legislation is in the public eye.

### INTO THE SOLID SOUTH.

In 1912 the party had 182 congressional candidates in districts outside the south, but with no precinct organization whatever behind them except in two or three states; and yet twenty of these candidates got into congress. In 1914 there will be a progressive candidate in each of the 293 districts outside of the south, and usually there will be an effective organization clear down to the precinct behind these candidates. There are 142 congressional districts in the south, and here, too, wherever conditions warrant, organization is going on and congressional candidates will be in the field. Even now expectations of surprising reversals of form in these supposedly hopelessly democratic sections are being excited among those who are in closest touch with conditions on the field.

In 1916 it is the expectation of the party leaders to have a national organization absolutely complete down to the last precinct, and to have a congressional candidate in every district in the United States, supported by a full local ticket in all where there is the slightest prospect of success.

Concluding our broad survey, we are forced to the conviction that nothing political seems more certain just now than that the progressive party will survive. About all that remains for consideration are the con-

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tinued proposals of the republican party to the progressive party that the latter kindly cease to exist. The progressive leaders have emphatically declined these proposals. The only question, therefore, is whether the republican party can devise a platform and set up a candidate that will lure the progressive rank and file out from under their leaders. In other words, the problem before the republican managers is this: Having themselves touched the match to the powder magazine, can they undo the explosion?

Truly, their case is desperate enough.

Seventeen republican United States senators will come up for election in 1914. Every republican representative must face his constituents at the same time. Judging from elections held since 1912, about one republican in four or five may hope to be re-turned. This is almost equivalent to annihilation. No wonder the republican leaders bestir themselves. Many, and often silly, are the proposals advanced. Recent utterances and deliberations and determinations, however, seem to make clear that the republican leadership has not yet even sensed the temper of the popular mind upon the political issues of the day.

### **NOW CONSIDER THEODORE ROOSEVELT.**

They read love's shining letter in the rainbow of the ballots and see themselves nominated for the rear, and that is about all. Their highest statesmanship is not even a convention of the party which will enable the membership to express itself, but instead a few dark-room conferences and a few grudging concessions. Present indications are that the party

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strategy will be to drift and harry the administration flanks. In various states they will try out the popular sentiment by adopting one and another of the progressive issues, testing at the same time the sentiment of the most conservative of their own party. Their problem is, find how much progressivism will be necessary to woo back the progressives, and, second, how much progressivism they can incorporate without alienating their own ultraconservative elements.

Many of the progressive issues when looked at coolly and fairly by republicans generally are not so objectionable as once they seemed, nor does Theodore Roosevelt, viewed in the perspective of a South American jungle, appear so objectionable as once he appeared. This last is very noticeable in the middle west, where there is a distinct drift to Roosevelt on the part of financial and corporate interests that were bitter against him. Part of this is because with calmer thinking comes a better judgment; part is because of the vague, unreasoning remembrance that when Roosevelt was president were the most prosperous years the country has ever known, and part is due to the fact that, as between the growing absolutism of Woodrow Wilson in the White House and the big-stick methods of Roosevelt, they prefer the latter rather because they think they know his worst, while they have by no means made up their minds what this cool person at present sitting on the throne of power might not do if he only get a conscience upon the subject. I do not know that this disposition is complimentary to the colonel, and I do not

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know that it is uncomplimentary to the president, but I do know it is a fact.

### BEHIND THE CURTAIN OF 1916.

But while there is talk that the republican party will nominate Roosevelt in 1916, it may be taken for granted that the present party managers will not sponsor such a thing if they can possibly help themselves, and to guard against having such a contingency forced upon them from below may be one reason for the announced decision to limit the nomination by primary to those states in which it is prescribed by law.

Yet even supposing that in order to save face and secure a hanging-on place in the government for the next few years they were willing to swallow this bitter pill, they might about as well join the progressives and be done with it, aside from the possible preservation of the party name, for it must be remembered that the progressive platform of 1912 was almost the personal platform of Theodore Roosevelt. As he made it emphatically clear that he would not accept a nomination from the progressive party if it did not indorse his personal platform, it must be clear that he could not do otherwise than demand the same platform from the republican party. Query—then, if the republican party accepted the progressive platform entire, would not so much of its Tory blood refuse to indorse it that progressives and republicans combined would be too few to carry an election; and since the sole object of the republicans is to win the election, if

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they cannot win by taking Roosevelt and his platform, why take Roosevelt at all?

What I seem to see an excellent chance of, at this distance from 1916, is the republican leadership—blind, timid, self-deceived, with a patched-up platform and a patched-up candidate—parading once more before the American people, flaunting issues that once had life but now have none, going through the forms of a campaign shouting the old shibboleths, parading the old ghosts, giving a final and convincing demonstration that this great history maker is itself no more proof against corroding time than other parties have been.

Its vote will be smaller than in 1912, but, nevertheless considerable, the final tribute which old men pay to a relic, as to the sword they have carried or the uniform they have worn.

But the republican party as a party will face the hour of its final dissolution.

It has had great issues—and they were the very greatest! It solved them with high courage, with patriotism, with statesmanship, with honor to the nation and blessing to mankind. But because it has done the old job it cannot do the new. This is the very philosophy of life. Its organization crystallized round the deeds of its day. That day and its deeds are both gone. New issues have arisen, and the party has no new solutions. It does not even know that they are new issues. It cannot pull the load. It is a hunter that has refused the leap. It is an instrument which no longer lends itself to use. It goes the way of all flesh and of all parties.

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Honor to its glorious past. Honor to its brilliant names. Reverence for its mighty martyrs!—of whom almost there had been another. Respect for its local adherents—where they are men whom we can respect—but for its remains, a wreath and a mausoleum! Its blades are battered; its arteries hardened; its blood is water. Its day is done.

As to the progressive organization, if its present attitude toward the man continues, there is no power but Roosevelt himself, which can prevent him from being the presidential nominee of that party. Whether a victory for the progressives is possible in 1916 must depend upon how large a following marches with the funeral cortege, and upon the success before the people of the administration of Woodrow Wilson, concerning which it is entirely too early to predicate, since there are yet more than three years of democratic waters to babble under the bridge.

*Section 21*

*J. R. W.*











